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ELEVENTH ANNUAL REPORT

Area 5

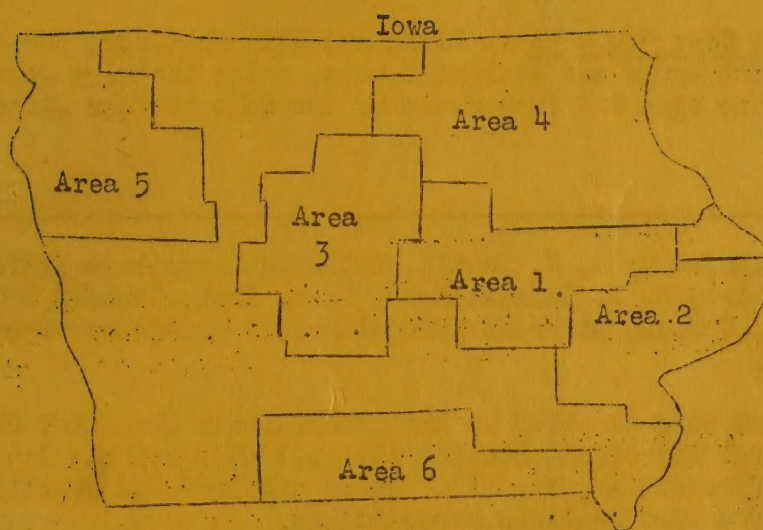
F A R M

R E C O R D

S U M M A R Y

NORTHWEST IOWA

151 FARMS



Agricultural Extension Service Iowa State College
August 1949 Farm Management

Ames, Iowa.
FM 1061

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Gross Profits -- Gross Profits represents the total farm production measured in dollars. It is computed by deducting the purchases of feed and livestock from the total sales adjusted for inventory changes plus the home used.

Net Operating Income -- Net operating income is the income left after cash operating expenses including, labor, machinery expense, crop and livestock expense and depreciation on machinery and equipment are deducted from Gross Profits. This represents the income before any charges are made for the use of the land, buildings and improvements whether owned or rented.

Management Return -- Management return is the income remaining after the following items are deducted from the net operating income; the market rate for rent on the land, interest on capital invested in feeds, livestock, and machinery at 6% interest and wages for operator and family labor at \$175 per month for the operator and \$140 per month for family labor. This tends to equalize the difference between owned and rented land, extra family help and additional resources in working capital.

Gross Value of Crops per Crop Acre -- Gross value of crops per crop acre is determined by multiplying the quantity of crops produced by the closing inventory value and dividing this total value of all crops by the acres of harvested crops.

Livestock Returns per \$100 Feed Fed -- Livestock return per \$100 feed fed is determined by dividing the total value of livestock production (sales less purchases adjusted for inventories, plus home used) by the value of all feed fed to livestock.

Power and Equipment Cost per Acre -- Power and equipment cost per acre is computed by dividing the total power and equipment cost, which includes repairs, fuel, depreciation, machine hire and farm share of the auto expense by total acres in farm.

This report was prepared by H. B. Howell, Extension Associate Professor of Agricultural Economics, L. J. Bodensteiner, L. G. Kral, Kenneth Oakleaf, E. G. Stoneberg and W. J. Turner, District Extension Farm Management Specialists, collected the data.

Data for this report were compiled by the Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (Project 609) and the Iowa Agricultural Extension Service (Project Ag. Ec. 11). Funds are provided jointly by the above agencies and the five Farm Business Associations.

Coöperative Extension Work in Agriculture and Home Economics,
Iowa State College of Agriculture and the U. S. Department of
Agriculture Cooperating.

338.106

1948 Farm Record Summary

NOR

1948

779 Farms

The farms on which these records were obtained are above average Iowa farms in acreage, volume of business and net income but they do indicate what the trend was on farms under conditions as they occurred in 1948.

Incomes Decline in 1948

Net farm income which included both operator and landlord incomes dropped from a peak of \$14,358 in 1947 to an average of \$9,645 in 1948 on the 779 farms whose records are summarized in this report. This drop in income of \$4,713 was the sharpest in the last fifteen years.

Management return which allows an adequate charge for use of land, operating capital, and operator and family labor dropped from \$9765 in 1947 to \$4421 in 1948, a 56% decline. In spite of this drop, the 1948 management return was still 2.3 higher than the 1939-40 level on the cooperating farms.

Factors Causing Decline of Incomes

Rapidly increasing prices following the decontrol of prices in 1946 plus large inventories at the beginning of the year set the framework for the high profits of 1947 in spite of the short corn crop.

The year 1948 presented a different story with a leveling off of prices and in many cases sharp breaks plus lower beginning inventories due to the short 1947 crop thus reducing volume during 1948. Although the yearly average prices for 1948 deferred little from 1947 the seasonal pattern of prices was in reverse in many cases as indicated in Table I.

Table I. -- Iowa Prices of Certain Farm Products - Yearly Average and Certain Months

	Corn per bu.	Hogs per cwt.	Beef Cattle per cwt.	Eggs per doz.	Butterfat per lb.
1947 ave.	\$1.84	\$24.47	\$21.65	\$.39	\$.78
1948 ave.	1.85	23.15	24.50	.41	.84
1947 Jan.	1.10	21.70	19.80	.34	.83
March	1.43	26.80	21.76	.36	.78
Sept.	2.40	27.50	23.00	.42	.88
Dec.	2.54	24.60	22.10	.48	.94
1948 Jan.	2.60	26.90	23.50	.38	.96
March	2.11	21.50	22.50	.38	.86
Sept.	1.71	27.40	26.50	.42	.82
Dec.	1.17	20.90	21.40	.42	.69

This change in the prices farmers received for their products was a most important factor in the decline in income. Its effect on the various parts of the farm business is shown in Table II. Although corn yields doubled from 1947 to 1948, the value of crops produced per acre remained the same. Returns per \$100

Summary

The first of the two main items in the report is the statement of the total amount of the loan, which is \$1,000,000. This is the total amount of the loan, and it is the total amount of the loan, and it is the total amount of the loan.

Statement of the Loan

The loan is made up of two parts, the first of which is the principal, and the second of which is the interest. The principal is \$1,000,000, and the interest is \$100,000. The total amount of the loan is \$1,100,000.

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Statement of the Interest

The interest is \$100,000, and it is paid in four equal installments of \$25,000 each. The first installment is due on the first day of the first year, and the last installment is due on the first day of the fourth year.

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Statement of the Principal

The principal is \$1,000,000.

Year	Principal	Interest	Total
1911	250,000	25,000	275,000
1912	250,000	25,000	275,000
1913	250,000	25,000	275,000
1914	250,000	25,000	275,000
Total	1,000,000	100,000	1,100,000

The loan is made up of two parts, the first of which is the principal, and the second of which is the interest. The principal is \$1,000,000, and the interest is \$100,000. The total amount of the loan is \$1,100,000.

feed fed dropped from \$179 in 1947 to \$141 in 1948. The high price feed during the greater part of the year cut margins as compared to 1947.

While prices for livestock and grains declined, costs continued to rise in 1948 as compared to 1947 as indicated in Table II. Power and equipment costs increased from \$13.20 per acre to \$15.07 per acre and all expenses from \$26.00 to \$29.00 per acre.

Table II - Some Factors Affecting Changes in Income - 1948

	<u>1939-40</u>	<u>1947</u>	<u>1948</u>
Net Farm Income	\$3637	\$14358	\$9645
Management Return	\$1921	\$ 9765	\$4421
Gross Value of Crops per crop acre	\$ 22	\$ 62	\$ 62
Gross profit per man	\$3154	\$11767	\$9313
Returns per \$100 feed fed	\$ 150	\$ 179	\$ 141
Power and machine cost per acre	\$4.91	\$13.20	\$15.07
All expenses per acre	\$ 12.	\$ 26	\$ 29.
Acres in farm	256 A.	251 A.	250 A.
Acres in corn	73 A.	87 A.	90 A.
Months of labor	25 mo.	21 mo.	22 mo.
No. of farms	737	734	779
Index of prices received by farmers	100	316	326
Index of prices paid by farmers	131	239	268

(1910-1914 = 100)

Characteristics of the 1948 High Profit Farms.

Few farmers would pass up the opportunity of making \$9573. That is the difference in management return between the high profit 256 farms and the low profit 256 farms of the 779 farm records summarized. The high farms averaged a management return of \$9325 while the low farms returned -\$248. (see management return definition, inside front cover)

Table III - Difference Between High and Low Profit Farms - 1948

	<u>Ave. of 779</u> <u>farms</u>	<u>High 256</u> <u>farms</u>	<u>Low 256</u> <u>farms</u>
Management Return	\$4421.	\$9325.	\$-248.
Acres in farm	250 A.	257 A.	247 A.
Months of labor	22 mo.	23 mo.	21 mo.
Gross profits per man	\$8313	\$11936	\$6864
Acres in corn	90 A.	99 A.	82 A.
Av. corn yield	71 bu.	77 bu.	68 bu.
Gross value of crops per crop acre	\$62	\$67	\$58
Returns per \$100 feed fed	\$141	\$162	\$116
Power and mach. cost per acre	\$15.07	\$15.72	\$15.62
All expenses per acre	\$29	\$31	\$30

Several important factors contributed to this wide difference in profits. (see Table III) They can be classified as follows:

a. Size of Business:

The high profit farms averaged only 10 acres more per farm than the low profit farms but produced \$11936 gross profits or production per man as compared to \$6864 on the low farms. Thus the high farms produced 75% more per man, mainly livestock and crops, than the low profit farms. This is most important since there is very little difference in total acres or months of labor used between the two groups of farms.

b. Crop Production:

Crop yields per acre as well as crop selection was better on the high profit farms than the low. The high farms averaged 77 bushels of corn per acre and \$67 gross value of crops per acre as compared to 68 bushels and \$58 for the low farms. Some of the difference may be due to a difference in quality of the land but also reflects the management factor.

c. Livestock Production:

The high profit farms not only handled a larger volume of business in livestock but also did it more efficiently. The returns per \$100 of feed fed on the high profit farms were \$46 higher than on the low profit farms in 1948. The high farms average \$162 and the low \$116. This difference reflects a better job of management in feeding, sanitation, breeding, selection of type and kind of livestock and marketing. Since most of these farms that are record cooperators are livestock farms, this wide difference in return per \$100 of feed fed is very important. It means that for each \$100 of feed fed, the high group had \$62 to cover other expenses over feed costs while the low group had only \$16.

d. Expenses:

From the expense side there was practically no difference between the high and low profit farms. The high profit farms with their larger volume of business per man or per acre had slightly higher power and machinery cost per acre as well as all expenses per acre. They also used two months more of labor per farm than the low profit farms.

These tables and summaries are indicators of the difference between high and low profit farms. The individual operator should find them useful in studying his own farming business. The factors are a good criteria of the level of margins and production necessary for profit. It is not the farm that has the high corn yields that is the most profitable but the farm that has the right combination of land, labor and capital and uses them in such a way that the overall or total efficiency gives adequate income above expenses to provide a satisfactory living.

Table IV - Tenure by Areas --- No. of Farms

	Area 1	Area 2	Area 3	Area 4	Area 5	Total
Owner	53	81	60	86	44	324
Owner-additional	35	19	32	34	34	154
Cash	11	24	6	15	18	74
Crop-share	11	17	40	6	26	100
Stock share	<u>40</u>	<u>19</u>	<u>15</u>	<u>24</u>	<u>29</u>	<u>127</u>
	150	160	153	165	151	779

FM 1057, 1058, 1059, 1060, 1061

	Area 1 - Cedar Valley			Area 2 - Mississippi Valley			Area 3 - Central			4 - A
	1940	1947	1948	1940	1947	1948	1940	1947	1948	
Management return	\$1455	\$7759	\$4456	\$1603	\$10817	\$4142	\$2149	\$10575	\$5957	
Gross profits	\$6357	\$18010	\$16353	\$6882	\$22381	\$16932	\$7703	\$22888	\$19084	
Expenses	\$3053	\$5968	\$6931	\$3352	\$7110	\$7636	\$3453	\$7250	\$7871	
Net farm income	\$3304	\$12042	\$9402	\$3530	\$15271	\$9296	\$4250	\$15638	\$11213	
Total acres	245 A.	230 A.	345 A.	257 A.	246 A.	237 A.	273 A.	265 A.	259 A.	
Acres of corn	64 A.	77 A.	85 A.	66 A.	85 A.	80 A.	87 A.	107 A.	107 A.	
Litters of pigs	23	24	26	31	35	35	22	30	30	
Cows milked	8	7	7	9	8	8	8	6	7	
Beef cattle (beef farms)	162	104	98	177	118	108	131	105	93	
Hens	110	116	106	109	63	86	126	129	145	
Months of labor	25 mo.	20 mo.	21 mo.	26 mo.	21 mo.	22 mo.	27 mo.	23 mo.	23 mo.	
Investment in mach.	\$2870	\$3429	\$4033	\$3031	\$3928	\$4980	\$3011	\$4297	\$5126	
Power & equip. cost per acre	\$5.02	\$13.25	\$14.79	\$5.14	\$14.24	\$16.38	\$5.00	\$13.24	\$15.02	
Gross Value of Crops per C.A.	\$23	\$55	\$61	\$24	\$72	\$67	\$22	\$58	\$69	
Return per 100 feed fed	\$142	\$179	\$146	\$142	\$175	\$138	\$145	\$180	\$134	
Hog income per litter	\$85	\$412	\$360	\$84	\$380	\$341	\$85	\$439	\$374	
Dairy income per cow	\$80	\$212	\$210	\$74	\$210	\$243	\$74	\$233	\$284	
Poultry income per hen	\$2.44	\$6.51	\$6.09	\$1.80	\$5.53	\$5.06	\$2.15	\$6.94	\$6.75	
No. of farms	145	132	150	143	156	160	157	135	153	

Table V Comparisons by Areas
1940, 1947, 1948

FM 1057, 58, 59, 60, 61

*First year of records under new project.

Management return

Gross Profits

Expenses

Net farm income

Total acres

Acres of corn

Litters of pigs

Cows milked

Beef cattle (beef farms)

Hens

Months of labor

Investment in mach.

Power & equip. cost per acre

Gross Value of Crops per C.A.

Return per 100 feed fed

Hog income per litter

Dairy income per cow

Poultry income per hen

No. of farms

Table VI Comparisons by Areas
1940, 1947, 1948

FM 1057, 58, 59, 60, 61

	Area 4 - Northeast			Area 5 - Northwest			Area 6 - Southern*		
	1940	1947	1948	1940	1947	1948	1940	1947	1948
Management return	1450	7227	2753	1999	12442	4798	364		3169
Gross Profits	5706	17051	14008	7158	24880	18788	2436		9550
Expenses	2576	5744	6365	2982	7349	8119	997		4406
Net farm income	3130	11307	7643	4176	17531	10669	1439		5144
Total acres	238 A.	241 A.	246 A.	262 A.	271 A.	263 A.	226 A.		285 A.
Acres of corn	53 A.	70 A.	75 A.	80 A.	98 A.	101 A.	25 A.		51 A.
Litters of pigs	20	23	23	20	20	32	6		9
Cows milked	14	12	11	7	6	5	6		6
Beef cattle (beef farms)	141	117	111	171	143	143	53		42
Hens	152	185	174	144	136	157	103		88
Months of labor	24 mo.	21 mo.	21 mo.	25 mo.	22 mo.	22 mo.	18 mo.		15 mo.
Investment in mach.	2732	3559	4363	2838	4090	5107	1003		2532
Power & equip. cost per acre	4.54	12.26	13.38	4.89	13.20	15.80	0.90		6.76
Gross Value of Crops per C.A.	21	55	51	22	68	62	12		44
Return per 100 feed fed	157	180	147	147	182	141	168		171
Hog income per litter	85	424	351	86	376	350	77		333
Dairy income per cow	78	208	22 2	75	197	199	59		182
Poultry income per hen	2.36	6.26	6.73	2.17	6.54	6.85	1.50		6.13
No. of farms	143	157	165	165	155	151	97		68

Not available

The following section of this report gives the detailed figures from the farm records summarized for the area indicated on the cover by size groupings.

Page 2 - B graphically shows the variations in management return by individual farms within each size group.

Pages 1 - C through 10 - C provides a column in which the farm operator may enter his own figures to determine how well his business lines up with the high and low profit farms in each group.

See inside of front cover for definition of terms used in this summary.

FM 1057, 1058, 1059, 1060, 1061

Management Return by Size of Farm
Northwest Iowa Area - 1948

Mgt. Ret.

24,000

20,000

16,000

12,000

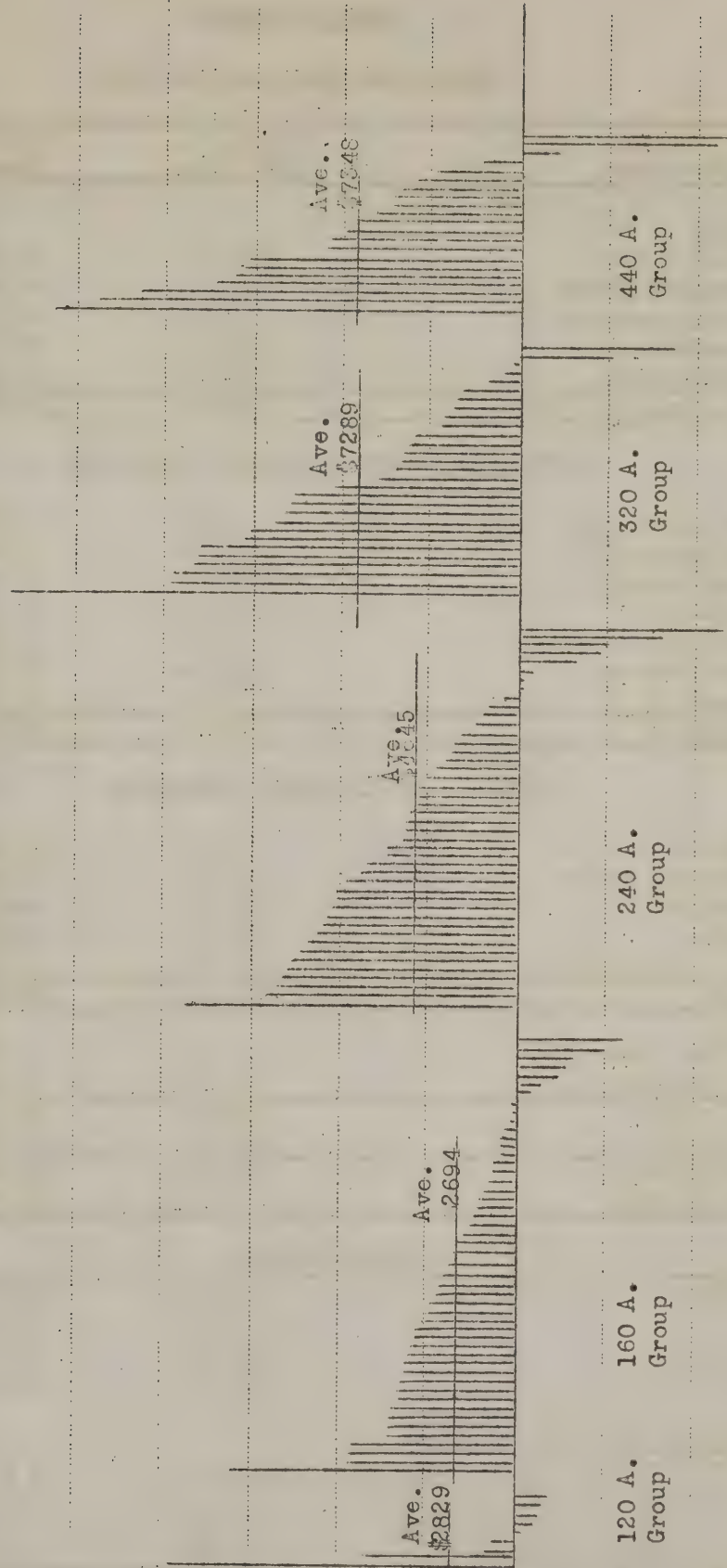
8,000

4,000

0

-4,000

-8,000



Each bar represents an individual farm.

BALANCE SHEET

Northwest Iowa Area -- 1948

All Farms	Ave. of 151 Farms	High 48 Farms	Low 48 Farms
<u>Opening inventory</u>			
Total liquid assets	\$18394	\$17025	\$22834
Cattle-breeding stock	\$ 1078	\$ 1040	\$ 1205
Total working assets	\$ 5107	\$ 5364	\$ 5289
Total current assets	\$25302	\$23961	\$30979
Total lands & buildings	\$33667	\$36110	\$33745
Total inventory, Beg. of year	\$58969	\$60071	\$64724

EXPENDITURES AND INVENTORY DECREASES

Cash operating expense	\$ 5739	\$ 5758	\$ 5842
Cash fixed expenses	\$ 1076	\$ 1007	\$ 1276
Total feeds bought	\$ 8099	\$ 7270	\$10452
Livestock bought	\$11076	\$10090	\$15066
New capital investments	\$ 3404	\$ 3959	\$ 3204
Total cash expenditures	\$29394	\$28084	\$35840
Inventory decrease	\$ ---	\$ ---	\$ 791
Total business Debit	\$29394	\$28084	\$36631

INCOME AND INVENTORY INCREASES

Total crop sales	\$ 5050	\$ 6571	\$ 3554
Total livestock sales	\$26802	\$28508	\$35520
Other receipts*	\$ 2203	\$ 2794	\$ 2173
Total cash income	\$36055	\$37873	\$41247
Horses, equip. & improvements sold	\$ 247	\$ 403	\$ 244
Total cash sales	\$36302	\$38276	\$41491
Food and fuel from farm	\$ 525	\$ 537	\$ 530
Inventory increases	\$ 3236	\$ 5553	\$ ---
Total business credits	\$40063	\$44366	\$42021
Total business debits	\$29394	\$28084	\$36631
Net Farm Income (farm)	\$10669	\$16282	\$ 5390
Net Cash Income (farm)	\$ 6908	\$10192	\$ 5651

INCOME SUMMARY

Total cash income	\$36055	\$37873	\$41247
Gross income	\$26887	\$31697	\$24333
Gross profits	\$18788	\$24427	\$13881
Net operating income	\$12125	\$17720	\$ 7075

Distribution of Net Operating Income:

Interest in current assets - 6%	\$ 1519	\$ 1439	\$ 1859
Cash rent (actual or estimated)	\$ 3432	\$ 3686	\$ 3357
Operator & family labor \$175-140	\$ 2376	\$ 2239	\$ 2486
Management Return	\$ 4798	\$10356	\$ -627

*Includes crop share rent.

MANAGEMENT ANALYSIS

Northwest Iowa Area - 1948

All Farms	Ave. of 151 farms	Ave. High 48 farms	Low 48 farms
MANAGEMENT RETURN	\$4798	\$10356	\$-627

SIZE OF BUSINESS

Total capital managed	\$58969	\$60071	\$64724
Total acres	263 A.	271 A.	254 A.
Crop acres	204 A.	221 A.	195 A.
Rotated acres	220 A.	232 A.	213 A.
Months of man labor	22 mo.	21 mo.	23 mo.

CROP ACRES AND YIELDS

	Acre-Yield	Acre-Yield	Acre-Yield
Corn	101 70	110 75	96 68
Oats	54 54	60 59	54 49
Soybeans	15 23	15 24	13 24
Hay	16 2.0	18 2.1	20 2.
Gross value crops per C.A.	\$62	\$66	\$59

LIVESTOCK RETURNS

Net livestock increase	\$19680	\$21681	\$20091
Value of feed fed	\$13957	\$13466	\$17320
Margin over feed	\$5723	\$8215	\$2771
L.S. ret. per \$100 feed fed	\$141	\$161	\$116
	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	32 \$350	34 \$374	35 \$324
Pigs weaned per litter	7.3	9.9	6.5
Dairy income per cow	5 \$199	6 \$210	6 \$174
Pounds butterfat per cow	259#	278#	227#
Beef			
Beef inc. per head - (Bf&dy.101)	143 \$65	118 \$73	188 \$63
(Dual-Dy-47)	27 \$55	26 \$56	31 \$42
Poultry income per hen	157 \$6.85	172 \$6.72	131 \$6.50
Egg production per hen	162	170	142

USE OF LABOR AND EQUIPMENT

Crop acres per man	112 A.	125A.	102A.
Power & Equip. cost per acre	\$ 15.80	\$15.75	\$102
Livestock increase per man	\$ 10754	\$12389	\$10464
Gross profit per man	\$ 10269	\$13908	\$7149
Gross profits per A.	\$ 71.44	\$91.13	\$54.65
Net income per A.	\$ 40.56	\$60.08	\$21.22
Expenses per A.	\$ 30.88	\$30.05	\$33.43

BALANCE SHEET

Northwest Iowa Area - 194

120 Acres (0 - 139 A.)	Your Farm	Average 7 farms
Opening inventory		
Total liquid assets	\$ _____	\$ 7,874
Cattle-breeding stock	\$ _____	\$ 651
Total working assets	\$ _____	\$ 2,133
Total current assets	\$ _____	\$10,658
Total lands & buildings	\$ _____	\$13,066
Total inventory, Beg. of year	\$ _____	\$23,724

EXPENDITURES AND INVENTORY DECREASES

Cash operating expense	\$ _____	\$ 2,592
Cash fixed expenses	\$ _____	\$ 380
Total feeds bought	\$ _____	\$ 4,426
Livestock bought	\$ _____	\$ 4,185
New capital investments	\$ _____	\$ 1,233
Total cash expenditures	\$ _____	\$12,816
Inventory decrease	\$ _____	\$ _____
Total business Debit	\$ _____	\$12,816

INCOME AND INVENTORY INCREASES

Total crop sales	\$ _____	\$ 414
Total livestock sales	\$ _____	\$15,848
Other receipts*	\$ _____	\$ 602
Total cash income	\$ _____	\$16,864
Horses, equip. & improvements sold	\$ _____	\$ 100
Total cash sales	\$ _____	\$16,964
Food and fuel from farm	\$ _____	\$ 527
Inventory increases	\$ _____	\$ 1,954
Total business credits	\$ _____	\$19,445
Total business debits	\$ _____	\$12,816
Net Farm Income (farm)	\$ _____	\$ 6,629
Net Cash Income (farm)	\$ _____	\$ 4,148

INCOME SUMMARY

Total cash income	\$ _____	\$16,864
Gross income	\$ _____	\$14,579
Gross profits	\$ _____	\$10,153
Net operating income	\$ _____	\$ 7,180

Distribution of Net Operating Income:

Interest in current assets- 6%	\$ _____	\$ 666
Cash rent (actual or estimated)	\$ _____	\$ 1,495
Operator & family labor \$175-140	\$ _____	\$ 2,190
Management Return	\$ _____	\$ 2,829

*Includes crop share rent.

MANAGEMENT ANALYSIS

Northwest Iowa Area - 1948

120 Acres (0-139 A.)	Your farm	Average 7 farms
<u>MANAGEMENT RETURN</u>	\$	\$2,829
<u>SIZE OF BUSINESS</u>		
Total capital managed	\$	\$26,502
Total acres	A.	110A.
Crop Acres	A.	83A.
Rotated acres	A.	95A.
Months of man labor	mo.	15 mo.
<u>CROP ACRES AND YIELDS</u>		
	<u>Acre-Yield</u>	<u>Acre-Yield</u>
Corn		40 70
Oats		33 50
Soybeans		2 20
Hay		8 2.1
Gross value crops per C.A.	\$	\$56.00
<u>LIVESTOCK RETURNS</u>		
Net livestock increase	\$	\$15,016
Value of feed fed	\$	\$ 8,630
Margin over feed	\$	\$ 6,386
L.S. ret. per \$100 feed fed	\$	\$ 174
	No. Inc.	No. Inc.
Hog income per litter	\$	25 \$298
Pigs weaned per litter		6.0
Dairy income per cow	\$	7 \$218
Pounds butterfat per cow	#	245#
Beef-Bf		
Beef inc. per head-(2dy.-2)	\$	110 \$70
(Dual-Dy-5)	\$	23 \$58
Poultry income per hen	\$	139 \$6.98
Egg production per hen		160
<u>USE OF LABOR AND EQUIPMENT</u>		
Crop acres per man	A	69A.
Power & Equip. cost per acre	\$	\$19.10
Livestock increase per man	\$	\$10,528
Gross profit per man	\$	\$ 8,249

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BALANCE SHEET

FM-1061

Northwest Iowa Area - 1948

160 Acres (140-199A.)	Your farm	Average 50 farms	High 16 farms	Low 16 farms
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Opening inventory

Total liquid assets	\$	\$12,891	\$ 9,737	\$17,353
Cattle-breeding stock	\$	\$ 1,078	\$ 1,015	\$ 1,220
Total working assets	\$	\$ 3,774	\$ 3,633	\$ 4,296
Total current assets	\$	\$17,743	\$14,385	\$22,869
Total land & buildings	\$	\$22,323	\$22,986	\$24,777
Total inventory beg. of year	\$	\$40,066	\$37,371	\$47,646

EXPENDITURES AND INVENTORY DECREASES

Capital operating expense	\$	\$ 3,774	\$ 3,665	\$ 4,218
Cash fixed expense	\$	\$ 705	\$ 679	\$ 763
Total feeds bought	\$	\$ 6,114	\$ 3,613	\$ 8,094
Livestock bought	\$	\$ 5,714	\$ 2,628	\$ 8,923
New capital investments	\$	\$ 2,475	\$ 3,556	\$ 2,014
Total cash expenditures	\$	\$18,782	\$14,141	\$24,012
Inventory decrease	\$	\$ --	\$ --	\$ 1,909
Total Business Debits	\$	\$18,782	\$14,141	\$25,921

INCOME AND INVENTORY INCREASES

Total crop sales	\$	\$ 2,544	\$ 3,574	\$ 2,175
Total livestock sales	\$	\$20,012	\$15,431	\$25,952
Miscellaneous receipts*	\$	\$ 1,323	\$ 1,458	\$ 1,467
Total cash income	\$	\$23,879	\$20,463	\$29,574
Horses, equip. & improv. sold	\$	\$ 110	\$ 77	\$ 129
Total Cash Sales	\$	\$23,989	\$20,540	\$29,703

Food and fuel from farm	\$	\$ 460	\$ 445	\$ 463
Inventory increases	\$	\$ 1,669	\$ 3,671	\$
Total business credits	\$	\$26,118	\$24,656	\$30,166
Total business debits	\$	\$18,782	\$14,141	\$25,921
Net farm income (farm)	\$	\$ 7,336	\$10,515	\$ 4,245
Net Cash income (farm)	\$	\$ 5,207	\$ 6,399	\$ 5,691

INCOME SUMMARY

Total cash income	\$	\$23,879	\$20,463	\$29,574
Gross income	\$	\$18,877	\$19,460	\$18,351
Gross profits	\$	\$12,763	\$15,847	\$10,257
Net operating income	\$	\$ 8,327	\$11,521	\$ 5,333

Distribution of Net Oper.

Interest on current assets-				
6 percent	\$	\$ 1,103	\$ 909	\$ 1,454
Cash rent (actual or esti-				
mated)	\$	\$ 2,256	\$ 2,366	\$ 2,292
Operator & family labor				
175-140	\$	\$ 2,274	\$ 2,185	\$ 2,295
Management return	\$	\$ 2,694	\$ 6,061	\$ 708

*includes crop share rent

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MANAGEMENT ANALYSIS
Northwest Iowa Area - 1948

160 Acres (140-199)	Your farm	Average 50 farms	High 16 farms	Low 16 farms
MANAGEMENT RETURN	\$	\$2694	\$6061	\$-708
<u>SIZE OF BUSINESS</u>				
Total capital managed	\$	\$42,800	\$40,200	\$50,800
Total acres	A	166A	164A	166A
Crop acres	A	130A	134A	128A
Rotated acres	A	141A	147A	141A
Months of man labor	mo.	17mo.	16mo.	18mo.
<u>CROP ACRES AND YIELDS</u>				
	Acre-Yield	Acre-Yield	Acre-Yield	Acre-Yield
Corn		63 69	63 74	59 66
Oats		35 53	35 56	36 50
Soybeans		10 25	13 28	6 23
Hay		13 2.1	13 2.2	18 2.1
Gross value crops per C.A.	\$	\$61	\$68	\$58
<u>LIVESTOCK RETURNS</u>				
Net livestock increase	\$	\$17,550	\$14,709	\$18,704
Value of feed fed	\$	\$12,021	\$8,915	\$15,851
Margin over feed	\$	\$5,529	\$5,794	\$2,853
L. S. ret. per \$100 feed fed\$		\$146	\$165	\$118
	No. Inc.	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	\$	29 343	26 341	35 348
Pigs weaned per litter		6.5	6.4	6.2
Dairy income per cow	\$	6 320	7 234	6 235
Pounds butterfat per cow		261#	272#	275#
(Beef-Bf.)				
Beef inc. per head(Dual-dy	\$	88 63	52 74	114 60
23)	\$	28 57	23 58	33 54
Poultry income per hen	\$	155 6.91	176 7.09	150 6.38
Egg production per hen		157	160	136
<u>USE OF LABOR AND EQUIPMENT</u>				
Crop acres per man	A	98A	106A	90A.
Power & equip. cost per acre\$		\$16.69	\$17.30	\$17.49
Livestock increase per man	\$	\$10,738	\$10,916	\$11,341
Gross profit per man	\$	\$9,109	\$11,977	\$6,878

BALANCE SHEET
Northwest Iowa Area - 1943

240 Acres (200-259 A.)	Your farm	Average 44 farms	High 14 farms	Low 14 farms
Opening inventory				
Total liquid assets	\$	\$17,414	\$18,069	\$21,826
Cattle-breeding stock	\$	\$ 972	\$ 911	\$ 1,313
Total working assets	\$	\$ 4,931	\$ 5,308	\$ 4,315
Total current assets	\$	\$23,317	\$24,283	\$27,954
Total land and buildings	\$	\$29,373	\$34,875	\$28,722
Total Inventory, Beg. of year	\$	\$52,690	\$59,153	\$56,676

EXPENDITURES AND INVENTORY DECREASES

Cash operating expense	\$	\$ 5,124	\$ 4,776	\$ 5,333
Cash fixed expense	\$	\$ 897	\$ 655	\$ 1,193
Total feeds bought	\$	\$ 7,131	\$ 7,970	\$ 8,110
Livestock bought	\$	\$ 9,089	\$ 9,630	\$12,566
New Capital investments	\$	\$ 3,000	\$ 2,728	\$ 2,375
Total cash expenditures	\$	\$25,241	\$25,759	\$30,077
Inventory decrease	\$	\$	\$	\$ 4,222
Total Business Debits	\$	\$25,241	\$25,759	\$34,296

INCOME AND INVENTORY INCREASES

Total crop sales	\$	\$ 3,929	\$ 4,170	\$ 3,469
Total livestock sales	\$	\$27,677	\$31,170	\$33,264
Miscellaneous receipts*	\$	\$ 1,972	\$ 3,065	\$ 1,364
Total cash income	\$	\$33,578	\$38,405	\$38,097
Horses, equip. & improv. sold	\$	\$ 263	\$ 438	\$ 263
Total Cash Sales	\$	\$33,841	\$38,843	\$38,360
Food and fuel from farm	\$	\$ 531	\$ 532	\$ 547
Inventory increases	\$	\$ 1,084	\$ 2,185	\$
Total business credits	\$	\$35,456	\$41,560	\$38,907
Total business debits	\$	\$25,241	\$25,759	\$34,296
Net Farm Income (farm)	\$	\$10,215	\$15,801	\$ 4,611
Net Cash Income (farm)	\$	\$ 8,600	\$13,084	\$ 8,283

INCOME SURVEY

Total cash income	\$	\$33,578	\$38,405	\$38,097
Gross income	\$	\$24,615	\$30,470	\$20,533
Gross profits	\$	\$17,484	\$22,500	\$12,423
Net operating income	\$	\$11,500	\$16,885	\$ 6,241
Distribution of Net Operating Income:				
Interest on current assets -6%	\$	\$ 1,459	\$ 1,516	\$ 1,786
Cash rent(actual or estim)	\$	\$ 3,096	\$ 3,363	\$ 3,062
Operator & family labor	\$	\$	\$	\$
\$175-140	\$	\$ 2,300	\$ 2,105	\$ 2,475
Management Return	\$	\$ 4,645	\$ 9,901	\$11,082

*Includes crop share rent.

MANAGEMENT ANALYSIS

Northwest Iowa - 1948

240 Acres (200-259 A.)	Your farm	Average 44 farms	High 14 farms	Low 14 farms
MANAGEMENT RETURN	\$	\$ 4,645	\$ 9,901	\$ -1,082

SIZE OF BUSINESS

Total capital managed	\$	\$ 55,000	\$ 59,000	\$ 60,800
Total acres	A	231 A	240A	226 A
Crop acres	A	184 A	197A	172 A
Rotated acres	A	198 A	205 A	191 A
Months of man labor	mo	21 mo	19 mo	22mo

CROP ACRES AND YIELDS

	Acre-Yield	Acre-Yield	Acre-Yield	Acre-Yield
Corn	92 70	99 74	87 72	
Oats	51 52	55 58	53 47	
Soybeans	16 26	18 26	17 24	
Hay	11 2.0	14 1.9	9 1.9	
Gross value crops per C. A. \$	\$63.00	\$66.00	\$61.00	

LIVESTOCK RETURNS

Net livestock increase	\$	\$20,442	\$24,507	\$18,574
Value of feed fed	\$	\$14,098	\$14,675	\$16,308
Margin over feed	\$	\$ 6,344	\$ 9,832	\$ 2,266
L.S. ret. per \$100 feed fed \$		\$ 145	\$ 167	\$ 115

	No.	Inc.	No.	Inc.	No.	Inc.	No.	Inc.
Hog income per litter	30	\$370	33	\$428	29	\$329		
Pigs weaned per litter		7.0		7.0		6.6		
Dairy income per cow	5	229	5	260	7	224		
Pounds butterfat per cow (beef-Bf.)		259#		312#		255#		
Beef inc. per head -(&Dy. 32)	118	62	108	66	141	58		
(Dual-Dy12)	22	54	8	118	27	28		
Poultry income per hen	157	8.08	147	8.06	140	7.64		
Egg production per hen		187		188		185		

USE OF LABOR AND EQUIPMENT

Crop acres per man	A	113	133	98
Power & equip. cost per acre	\$	\$16.08	\$14.93	\$17.64
Livestock increase per man	\$	\$11,179	\$14,670	\$ 9,657
Gross profit per man	\$	\$10,564	\$14,902	\$ 6,810

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BALANCE SHEET

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Northwest Iowa Area - 1948

320 Acres (260-359 A)	Your farm	Average 29 farms	High 9 farms	Low 9 farms
<u>Opening inventory</u>				
Total liquid assets	\$ _____	\$21,971	\$18,860	\$26,374
Cattle-breeding stock	\$ _____	\$ 1,181	\$ 1,276	\$ 1,059
Total working assets	\$ _____	\$ 6,407	\$ 6,618	\$ 6,466
Total current assets	\$ _____	\$29,559	\$26,754	\$33,899
Total land and bldgs.	\$ _____	\$36,837	\$37,522	\$36,499
Total Inventory, Beg. of year	\$ _____	\$66,396	\$64,276	\$70,398

EXPENDITURES AND INVENTORY DECREASES

Cash operating expense	\$ _____	\$ 6,887	\$ 7,096	\$ 6,536
Cash fixed expense	\$ _____	\$ 1,398	\$ 1,357	\$ 1,830
Total feeds bought	\$ _____	\$ 6,682	\$ 7,684	\$ 6,536
Livestock bought	\$ _____	\$11,417	\$10,210	\$13,759
New Capital investments	\$ _____	\$ 3,540	\$ 4,622	\$ 3,699
Total cash expenditures	\$ _____	\$29,924	\$30,969	\$32,360
Inventory decreases	\$ _____	\$ _____	\$ _____	\$ 3,471
Total Business Debits	\$ _____	\$29,924	\$30,969	\$35,831

INCOME AND INVENTORY INCREASES

Total crop sales	\$ _____	\$ 8,748	\$12,185	\$ 6,990
Total livestock sales	\$ _____	\$29,511	\$31,510	\$32,634
Other receipts*	\$ _____	\$ 3,026	\$ 2,427	\$ 3,103
Total cash income	\$ _____	\$41,285	\$46,122	\$42,727
Horses, equip. & improv. sold	\$ _____	\$ 422	\$ 1,015	\$ 225
Total Cash Sales	\$ _____	\$41,707	\$47,137	\$42,952

Food and fuel from farm	\$ _____	\$ 599	\$ 656	\$ 592
Inventory increase	\$ _____	\$ 1,874	\$ 4,625	\$ _____
Total business credits	\$ _____	\$44,180	\$52,418	\$43,544
Total business debits	\$ _____	\$29,924	\$30,969	\$35,831
Net Farm Income (farm)	\$ _____	\$14,256	\$21,449	\$ 7,713
Net Cash Income (farm)	\$ _____	\$11,783	\$16,168	\$10,292

INCOME SUMMARY

Total cash income	\$ _____	\$41,285	\$46,122	\$42,727
Gross income	\$ _____	\$30,754	\$39,201	\$24,330
Gross profits	\$ _____	\$24,072	\$31,517	\$17,794
Net operating income	\$ _____	\$16,054	\$23,312	\$ 9,958

Distribution of Net Operating Income:

Interest on current assets-6%	\$ _____	\$ 1,815	\$ 1,607	\$ 2,175
Cash rent(act. or estimated)	\$ _____	\$ 4,321	\$ 4,423	\$ 4,457
Operator & family labor	\$ _____	\$ _____	\$ _____	\$ _____
175-140	\$ _____	\$ 2,629	\$ 2,396	\$ 2,994
Management Return	\$ _____	\$ 7,289	\$14,886	\$ 372

*Includes crop share rent.

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MANAGEMENT ANALYSIS

Northwest Iowa Area - 1948

320 Acres (260 - 359 A.)	Your farm	Average 29 farms	High 9 farms	Low 9 farms
MANAGEMENT RETURN	\$	\$ 7,289	\$14,886	\$ 332

SIZE OF BUSINESS

Total capital managed	\$	\$69,500	\$67,100	\$75,100
Total acres	A.	321 A.	313 A.	329 A.
Crop acres	A.	268 A.	256 A.	284 A.
Rotated acres	A.	280 A.	272 A.	290 A.
Months of man labor	mo.	26 mo.	25 mo.	28 mo.

<u>CROP ACRES AND YIELDS</u>	<u>Acres-Yield</u>	<u>Acres-Yield</u>	<u>Acres-Yield</u>	<u>Acres-Yield</u>
Corn	131 72	116 77	142 66	
Oats	64 55	72 54	65 51	
Soybeans	18 24	12 26	26 21	
Hay	22 2.0	24 2.1	26 2.1	
Gross value crops per C.A.	\$	\$64.00	\$66.00	\$59.00

LIVESTOCK RETURNS

Net livestock increase	\$	\$21,072	\$25,374	\$19,618
Value of feed fed	\$	\$14,736	\$15,104	\$16,214
Margin over feed	\$	\$ 6,336	\$10,270	\$ 3,404

L. S. ret. per \$100 feed fed	\$	\$ 143	\$ 168	\$ 121
	No. Inc.	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	29 \$346	38 \$370	28 \$305	
Pigs weaned per litter	6.6	7.1	6.6	
Dairy income per cow	6 \$212	8 \$275	5 \$164	
Pounds butterfat per cow (Beef-Bf.)				
Beef inc. per head (Bf.&Dy.-22)	121 \$65	116 \$80	146 \$54	
(Dual-Dy.-7)	39 \$47	43 \$26	36 \$31	
Poultry income per hen	171 \$6.55	224 \$6.49	120 \$6.89	
Egg production per hen	149	157	182	

USE OF LABOR AND EQUIPMENT

Crop acres per man	A.	130 A.	129 A.	127 A.
Power & equip. cost per acre	\$	\$ 15.11	\$ 15.55	\$ 14.94
Livestock increase per man	\$	\$ 9,359	\$12,462	\$ 7,084
Gross profit per man	\$	\$11,592	\$15,535	\$ 7,812

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BALANCE SHEET

FM-1061

Northwest Iowa Area - 1948

440 Acres (360 A. & over)	Your farm	Average 21 farms	High 7 farms	Low 7 farms
Opening Inventory				
Total liquid assets	\$ _____	\$32,112	\$31,494	\$37,088
Cattle-breeding stock	\$ _____	\$ 1,304	\$ 1,110	\$ 1,358
Total working assets	\$ _____	\$ 7,846	\$ 8,884	\$ 7,738
Total current assets	\$ _____	\$41,262	\$41,488	\$46,234
Total land & buildings	\$ _____	\$57,304	\$63,374	\$51,977
Total inventory, beg. of year	\$ _____	\$98,566	\$104,862	\$98,211

EXPENDITURES AND INVENTORY DECREASES

Cash operating expense	\$ _____	\$11,171	\$11,587	\$10,896
Cash fixed expense	\$ _____	\$ 2,123	\$ 2,169	\$ 2,211
Total feeds bought	\$ _____	\$18,031	\$14,924	\$27,598
Livestock bought	\$ _____	\$29,833	\$28,769	\$38,127
New capital investments	\$ _____	\$ 6,994	\$ 7,272	\$ 6,348
Total cash expenditures	\$ _____	\$68,152	\$64,721	\$85,180
Inventory decrease	\$ _____	---	---	---
Total Business Debits	\$ _____	\$68,152	\$64,721	\$85,180

INCOME AND INVENTORY INCREASES

Total crop sales	\$ _____	\$ 9,801	\$12,748	\$ 3,457
Total livestock sales	\$ _____	\$55,422	\$50,919	\$72,262
Miscellaneous receipts*	\$ _____	\$ 4,185	\$ 6,375	\$ 4,783
Total cash income	\$ _____	\$69,408	\$70,042	\$80,502
Horses, equip. & improv. sold	\$ _____	\$ 345	\$ 408	\$ 474
Total Cash Sales	\$ _____	\$69,753	\$70,450	\$80,976

Food and fuel from farm	\$ _____	\$ 568	\$ 554	\$ 618
Inventory increase	\$ _____	\$13,775	\$18,322	\$10,785
Total business credits	\$ _____	\$84,096	\$89,326	\$92,379
Total business debits	\$ _____	\$68,152	\$64,721	\$85,180
Net farm income (farm)	\$ _____	\$15,944	\$24,605	\$ 7,199
Net cash income (farm)	\$ _____	\$ 1,601	\$ 5,729	\$-4,204

INCOME SUMMARY

Total cash income	\$ _____	\$69,408	\$70,042	\$80,502
Gross income	\$ _____	\$49,471	\$55,736	\$50,023
Gross profits	\$ _____	\$31,440	\$40,812	\$22,425
Net operating income	\$ _____	\$18,690	\$27,412	\$10,034

Distribution of Net Operating Income:

Interest on current assets-6%	\$ _____	\$ 2,499	\$ 2,490	\$ 2,841
Cash rent (actual or estimated)	\$ _____	\$ 6,355	\$ 6,971	\$ 5,582
Operator & family labor (\$175-140)	\$ _____	\$ 2,483	\$ 2,400	\$ 2,400
Management Return	\$ _____	\$ 7,343	\$15,551	\$ - 789

*Includes crop share rent.

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MANAGEMENT ANALYSIS
Northwest Iowa Area -1948

440 Acres (440 A & over)	Your farm	Average 21 farms	High 7 farms	Low 7 farms
<u>MANAGEMENT RETURN</u>	\$	\$ 7,348	\$15,551	\$ -739
<u>SIZE OF BUSINESS</u>				
Total capital managed	\$	\$102,000	\$107,400	\$102,100
Total acres	A	530A	568A	462A
Crop acres	A	378A	455A	315A
Rotated acres	A	416A	417A	361A
Months of man labor	MO	35 mo	36 mo	33 mo
<u>CROP ACRES AND YIELDS</u>				
	Acre-Yield	Acre-Yield	Acre-Yield	Acre-Yield
Corn	192 69	250 74	153 68	
Oats	100 52	119 53	89 50	
Soybeans	22 23	24 21	4 30	
Hay	30 1.9	35 2.2	41 1.8	
Gross value crops per C.A.	\$60.00	\$67.00	\$57.00	
<u>LIVESTOCK RETURNS</u>				
Net livestock increase	\$	\$41,638	\$33,769	\$44,220
Value of feed fed	\$	\$29,323	\$23,130	\$42,115
Margin over feed	\$	\$12,315	\$10,639	\$ 2,105
L. S. ret. per \$100 feed fed	\$	\$ 142	\$ 146	\$ 105
	No. Inc.	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	50 350	54 363	60 307	
Pigs weaned per litter	6.6	6.7	6.5	
Dairy income per cow	4 196	5 182	4 172	
Pounds butterfat per cow (Beef-Bf. 19)	#	--	--	--
Beef inc. per head(Dy-19 (Dual-Dy -1)	284 69	209 75	436 80	
	50 39	-- --	50 \$39	
Poultry income per hen	147 5.43	154 5.52	86 4.42	
Egg production per hen	145	--	108	
<u>USE OF LABOR AND EQUIPMENT</u>				
Crop acres per man	A	137A	163A	120A
Power & equip. cost per acre	\$	\$12.92	\$12.85	\$14.11
Livestock increase per man	\$	\$11,905	\$10,369	\$15,147
Gross profit per man	\$	\$11,255	\$14,159	\$ 8,238

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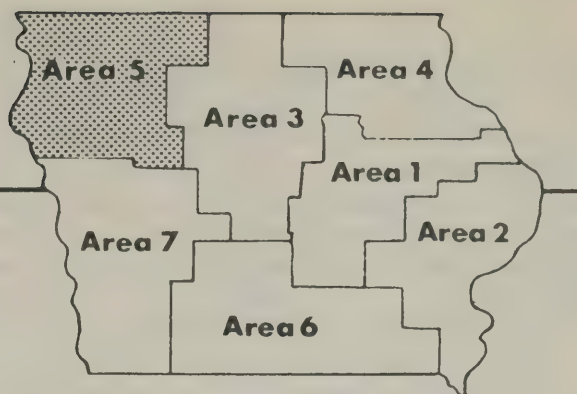
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IOWA FARM RECORD SUMMARY



Area 5

Northwest Iowa

155 Farms

COMPARISONS BY YEARS

	1951	1950	1949	1947	1940
FINANCIAL RETURNS:					
Net farm income.....	\$ 9693	\$13307	\$ 7962	\$17531	\$ 4176
Net farm income per acre.....	38	52	30	64	15
Management return.....	\$ 3422	\$ 7809	\$ 1996	\$12442	\$ 1999
INCOME & EXPENSES:					
Sales					
Livestock sales.....	\$40146	\$35917	\$32107	\$32022	\$ 7825
Crop sales.....	3770	4228	4144	4293	1552
Total cash income.....	44686	41008	37122	38448	10660
Expenses					
Cash operating.....	\$ 5833	\$ 5725	\$ 5591	\$ 5271	\$ 1604
Cash fixed.....	1616	1539	1222	1022	796
Feed and livestock bought.....	28184	27527	21143	17395	5687
CAPITAL, LAND & LABOR:					
Livestock and feed.....	\$27413	\$21993	\$23189	\$17556	\$ 8813
Machinery and equipment.....	98103	7359	6701	4090	2838
Land - acres.....	253	256	260	271	262
Labor - months.....	21	22	23	22	25
EFFICIENCY:					
Corn yields - bu. per acre.....	47	53	54	40	55
Livestock returns per \$100 feed fed	144	175	149	182	147
Mach. and power cost per acre.....	\$17.98	\$17.27	\$16.67	\$13.20	\$ 4.89
Gross profits per man.....	\$10844	\$12169	\$ 8463	\$13982	\$ 3410
Number of farms.....	155	154	147	155	165

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INCOME SUMMARY

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres
INVESTMENTS:					
Feed and livestock.....		\$11520	\$15849	\$25008	\$29985
Machinery and equipment.....		4018	5601	8602	9569
Land and improvements.....		18113	24692	30968	39961
COSTS:					
Mach.-repairs, fuel & hire.....		\$ 1403	\$ 1731	\$ 2425	\$ 2785
Labor hired.....		70	530	1133	1504
Livestock expense.....		363	407	673	590
Crop expense.....		403	701	1225	1396
Miscellaneous.....		85	162	195	217
Cash Operating Expense.....		\$ 2324	\$ 3531	\$ 5651	\$ 6492
Taxes, int., ins., rent, bldg., rep....		753	904	1607	1936
Feed purchased.....		5167	5432	10285	10164
Livestock purchased.....		4005	6378	13758	21685
Total Cash Expense.....		\$12249	\$16245	\$31301	\$40277
Depreciation-machinery.....		691	968	1462	1555
-buildings.....		280	355	474	464
Inventory decreases.....		956	-	-	-
Total Debits.....		\$14176	\$17568	\$33237	\$42296
INCOME:					
Dy. prod., eggs, poultry.....		\$ 1656	\$ 2375	\$ 1795	\$ 2770
Hogs.....		10069	9173	16409	14464
Cattle.....		5827	9025	17217	22206
Sheep.....		439	113	348	4862
Crops*.....		975	2270	2903	4721
Miscellaneous.....		250	570	923	771
Total Cash Income.....		\$19216	\$23526	\$39595	\$49794
Home used produce.....		373	450	463	595
Inventory increases.....		-	760	2907	2989
Total Credits.....		\$19589	\$24736	\$42965	\$53378
Total Debits.....		\$14176	\$17568	\$33237	\$42296
Net Farm Income.....		\$ 5413	\$ 7168	\$ 9728	\$11082
Net Farm Income (operator).....		\$ 4075	\$ 5953	\$ 8113	\$ 8275
Net Cash Income.....		\$ 5227	\$ 5418	\$ 5537	\$ 6495
Mach. and improvements purch.....		\$ 1740	\$ 1863	\$ 2757	\$ 3022
Gross Profits.....		\$ 9461	\$12926	\$18923	\$21529
Net Operating Income.....		6446	8427	11810	13482
less-interest on current assets.....		933	1287	2009	2373
-estimate cash rent.....		1627	2554	3482	4799
-operator and family labor**.....		2364	2265	2514	2525
Management Return.....		\$ 1522	\$ 2321	\$ 3805	\$ 3785
Number of farms.....		9	53	41	26

* Includes crop share rent as income ** Operator labor \$175, family labor \$140 per month

Notes - The farms on which these records were obtained are above average Iowa Farms. Although larger in acreage, volume of business and net farm income they indicate trends in production they occurred in 1951.

All records were kept on the accrual or inventory basis. On rented farms both operator and family income and expenses were recorded. The value of land and improvements and machinery and equipment less depreciation values.

The data for this report was collected and compiled by the Iowa Agricultural Extension Service, Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (project 111) and Farm Associations.

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MANAGEMENT ANALYSIS

O A. Over	Av. of All Farms		Your Farm	High Profit 53 Farms	Low Profit 53 Farms	Av. 155 Farms
		MANAGEMENT RETURN.....		\$ 8710	\$-1602	\$ 3422
7873	\$27413	SOURCE OF INCOME:				
2364	8103	Value of feed produced.....		\$11207	\$ 8611	\$ 9656
6568	33866	Livestock inc. over feed cost...		12264	4133	8110
		Other income.....		1835	845	1212
		Gross profits.....		\$25306	\$13589	\$18978
4095	\$ 2468	SIZE OF BUSINESS:				
3425	1312	Total acres.....		256	255	253
754	564	Harvested crop acres.....		197	192	194
2642	1264	% of land in crops.....		77	75	77
454	225	Months of labor.....		22	21	21
1370	\$ 5833	CROP YIELDS:				
3063	1616	Corn - bu. per acre.....		53	43	47
4507	10693	Oats - bu. per acre.....		46	41	43
6497	17491	Soybeans - bu. per acre.....		23	18	20
5437	\$35633	Hay - tons per acre.....		2.7	2.3	2.4
2145	1378	Gross value of crops per crop A.		\$ 58	\$ 45	\$ 50
696	458	LIVESTOCK RETURNS:				
-	-	Net livestock increase.....		\$33670	\$20602	\$26422
8278	\$37469	Value of feed fed.....		21406	16469	18312
		Income over feed costs.....		\$12264	\$ 4133	\$ 8110
3024	\$ 2350	Livestock ret. per \$100 feed....		\$ 157	\$ 125	\$ 144
8133	13529	Hog income per litter.....		\$ 346	\$ 299	\$ 324
5138	22627	Pigs weaned per litter.....		6.8	6.6	6.7
3985	1640	Dairy income per cow.....		\$ 204	\$ 197	\$ 198
8211	3770	Beef income per head.....		\$ 92	\$ 75	\$ 76
1063	770	Poultry income per hen.....		\$ 6.90	\$ 6.98	\$ 7.42
9554	\$44686	LABOR & MACHINERY EFFICIENCY:				
641	506	Crop acres per man.....		108	110	110
2955	1970	Mach. & power cost per acre.....		\$19.43	\$17.78	\$17.98
3150	\$47162	Livestock increase per man.....		\$18398	\$11772	\$15098
8278	\$37469	Gross profits per man.....		\$13828	\$ 7765	\$10844
4872	\$ 9693					
2815	\$ 7956					
9565	\$ 6315					
4552	\$ 2738					

Net farm income declined from \$13307 to \$9693 in 1951 on these 155 farms in northwest Iowa. This was a decline of 27 percent. At the same time cash operating and fixed expenses increased from \$7264 to \$7449, a rise of 3 percent.

Higher feed cost without a similar rise in livestock prices reduced feeding margins in 1951. In addition lower crop yields and increasing operating costs all contributed to the drop in net income in 1951 as compared to 1950.

Livestock returns per \$100 feed fed dropped from \$175 in 1950 to \$144 in 1951. Corn yields declined 6 bushels per acre. Machinery and power costs rose from \$17.27 to \$17.98 per acre.

These farms are livestock farms. In 1951 with narrower feeding margins, the ability to profitably process feed was an important factor accounting for the wide difference in income between the high and low profit group of farms. The high profit 53 farms had a feed return of \$157 per \$100 of feed fed as compared \$125 for the low profit group of farms. In addition since prices were still relatively favorable for all farms, the operations with the larger volume of business, handled efficiently were the most profitable. The high profit farms handled more livestock, had higher livestock efficiency and higher crop yields, then the low profit farms. To have this larger volume they had higher machine costs per acre but the better level of efficiency in all other parts of the business meant more total profit.

PRODUCTION

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. & over	Av. all Farms
LAND USE:							
Corn acres.....		45	61	85	119	152	92
Oats acres.....		30	34	44	59	77	48
Soybean acres.....		3	8	15	20	26	15
Hay acres.....		5	20	23	33	54	18
Rotated pasture acres...		7	14	18	17	57	21
Total acres in farm.....		110	164	227	310	467	253
LIVESTOCK PRODUCTION:							
Litters of pigs.....		28	31	41	39	51	38
Cows milked.....		3	5	3	6	4	4
Hens.....		184	171	150	162	119	156
Beef cattle (beef only).		61	84	132	174	218	135
LABOR (months):							
Operator, family & hired		14	16	21	24	34	21

HOW TO USE THIS REPORT

The tabulations in this report provide an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary table gives the income and cost items on farms arranged in five size groups. The Management Analysis table gives the measures of efficiency of the various parts of the farm business. The differences between the most profitable one-third and least profitable one-third of the farms are shown.

How does your farm compare with other farms of the same size? Can you improve your efficiency and improve your income?

DEFINITION OF TERMS

Net Farm Income - Net income to the operator on owned farms and to the operator and landlord combined on rented farms.

Net Cash Income - Total cash income less total cash expenses and machinery and improvements purchased.

Gross Profits - Total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Net Operating Income - Gross profits less cash operating expenses and depreciation on machinery and equipment. This measures the production less the variable cost.

Management Return - Net operating income less a rental charge for use of land, 6 percent interest on capital in feeds, livestock and machinery, and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Gross Value of Crops Per Crop Acre - Quantity of crops produced valued at sale or closing inventory price divided by acres of harvested cropland.

Machinery and Power Cost Per Acre - Total of machinery and equipment, repairs, fuel, hire, depreciation, 6 percent on investment, truck and auto expense divided by total acres in farm.

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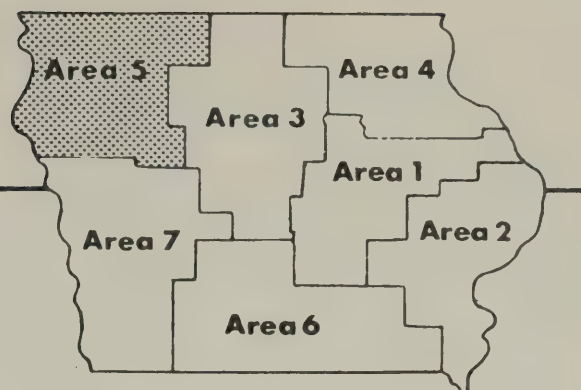
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IOWA FARM RECORD SUMMARY



Area 5

Northwest Iowa

149 Farms

COMPARISONS BY YEARS

	1952	1951	1950	1949	1940
FINANCIAL RETURNS:					
Net farm income.....	\$ 8,236	\$ 9,693	\$13,307	\$ 7,962	\$ 4,176
Net farm income per acre.....	32	38	52	30	15
Management return.....	\$ 1,840	\$ 3,422	\$ 7,809	\$ 1,996	\$ 1,999
INCOME & EXPENSES:					
Sales					
Livestock sales.....	\$36,727	\$40,146	\$35,917	\$32,107	\$ 7,825
Crop sales.....	4,181	3,770	4,228	4,144	1,552
Total cash income.....	41,591	44,686	41,008	37,122	10,660
Expenses					
Cash operating.....	\$ 5,723	\$ 5,833	\$ 5,725	\$ 5,591	\$ 1,604
Cash fixed.....	1,707	1,616	1,539	1,222	796
Feed and livestock bought.....	22,197	28,184	27,527	21,143	5,687
CAPITAL, LAND & LABOR:					
Livestock and feed.....	\$28,126	\$27,413	\$21,993	\$23,189	\$ 8,813
Machinery and equipment.....	8,738	98,103	7,359	6,701	2,838
Land - acres.....	253	253	256	260	262
Labor - months.....	20	21	22	23	25
EFFICIENCY:					
Corn yields - bu. per acre.....	75	47	53	54	55
Livestock returns per \$100 feed fed	109	144	175	149	147
Mach. and power cost per acre.....	\$ 22	\$ 21	\$ 20	\$ 19	\$ 5
Gross profits per man.....	\$10,532	\$10,844	\$12,169	\$ 8,463	\$ 3,410
Number of farms.....	149	155	154	147	165

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Agricultural Extension Service
May, 1953

Iowa State College
Economics and Sociology

Ames, Iowa
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INCOME SUMMARY

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360-449 &
INVESTMENTS:						
Feed and livestock.....		\$ 9,638	\$16,921	\$25,653	\$33,221	\$41,079
Machinery and equipment.....		4,300	6,354	9,172	10,169	11,169
Land and improvements.....		15,469	26,667	33,700	41,079	48,079
COSTS:						
Mach.-repairs, fuel, hire.....		\$ 1,278	\$ 1,887	\$ 2,444	\$ 3,129	\$ 3,814
Labor hired.....		75	538	884	1,624	2,369
Livestock expense.....		276	462	551	719	884
Crop expense.....		410	778	1,062	1,455	1,844
Miscellaneous.....		100	168	192	230	279
Cash Operating Expense.....		\$ 2,139	\$ 3,833	\$ 5,133	\$ 7,157	\$ 9,184
Taxes, int., ins., rent, bldg., rep..		520	1,070	1,738	2,133	2,528
Feed purchased.....		4,220	6,256	7,729	11,548	13,528
Livestock purchased.....		3,032	5,226	12,426	17,901	20,881
Total Cash Expense.....		\$ 9,911	\$16,385	\$27,026	\$38,739	\$45,822
Depreciation-machinery.....		626	1,008	1,519	1,559	1,599
-buildings.....		245	414	454	511	569
Inventory decreases.....		597	706	1,312	749	859
Total Debits.....		\$11,379	\$18,513	\$30,311	\$41,555	\$48,849
INCOME:						
Dy. prod., eggs, poultry.....		\$ 1,415	\$ 2,441	\$ 1,796	\$ 2,495	\$ 3,191
Hogs.....		8,567	9,281	10,911	14,670	17,411
Cattle.....		4,412	9,049	18,830	25,620	30,411
Sheep.....		0	264	775	3,274	4,049
Crops*.....		883	2,554	3,800	5,198	6,499
Miscellaneous.....		307	482	433	910	1,199
Total Cash Income.....		\$15,584	\$24,071	\$36,545	\$52,167	\$63,731
Home used produce.....		285	420	482	479	489
Inventory increases.....		-	-	-	-	-
Total Credits.....		\$15,869	\$24,491	\$37,027	\$52,646	\$64,220
Total Debits.....		\$11,379	\$18,513	\$30,311	\$41,555	\$48,849
Net Farm Income.....		\$ 4,490	\$ 5,978	\$ 6,716	\$11,091	\$15,371
Net Farm Income (operator).....		\$ 3,278	\$ 4,593	\$ 5,043	\$ 7,508	\$ 9,881
Net Cash Income.....		\$ 5,074	\$ 6,285	\$ 7,744	\$11,470	\$15,491
Mach. and improvements purch.....		\$ 599	\$ 1,401	\$ 1,775	\$ 1,958	\$ 2,369
Gross Profits.....		\$ 8,020	\$12,303	\$15,560	\$22,451	\$27,860
Net Operating Income.....		5,255	7,462	8,908	13,735	16,491
less-interest on current assets.....		837	1,401	2,090	2,604	3,119
-estimate cash rent.....		1,530	2,676	3,637	4,620	5,609
-operator and family labor**.....		2,180	2,242	2,413	2,765	3,129
Management Return.....		\$ 708	\$ 1,143	\$ 768	\$ 3,746	\$ 4,691
Number of farms.....		7	53	38	28	18

* Includes crop share rent as income ** Operator labor \$175, family labor \$140 per month

Notes - The farms on which these records were obtained are above average Iowa farms. Although they are larger in acreage, volume of business and net farm income, they indicate trends in production and income as they occurred in 1952.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded. The value of land

and improvements, and machinery and equipment less depreciation values.

The data for this report were collected by the Iowa Agricultural Extension Service, Agricultural Economics Subsection of the Iowa State University Experiment Station (project 10-10-10) and the Iowa Farm Business Associations.

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MANAGEMENT ANALYSIS

A. er	Av. of All Farms		Your Farm	High Profit 50 Farms	Low Profit 50 Farms	Av. 149 Farms
448	\$28,126	MANAGEMENT RETURN.....		\$ 6,718	\$-3,466	\$ 1,840
127	8,738	INCOME AND EXPENSES:				
647	35,270	Gross profits.....		\$23,065	\$12,961	\$17,589
		Expenses.....		9,648	10,190	9,353
		Net income.....		\$13,417	\$ 2,771	\$ 8,236
938	\$ 2,550	Gross profits per \$100 expense..		\$ 239	\$ 127	\$ 188
504	1,112	SIZE OF BUSINESS:				
235	643	Total acres.....		257	255	253
264	1,190	Harvested crop acres.....		200	194	195
460	228	Percent of land in crops.....		78	76	77
401	\$ 5,723	Months of labor.....		20	22	20
968	1,707	CROP YIELDS:				
782	9,463	Corn - bu. per acre.....		76	74	75
201	12,734	Oats - bu. per acre.....		49	44	46
352	\$29,627	Soybeans - bu. per acre.....		28	26	26
408	1,440	Hay - tons per acre.....		2.8	3.0	2.8
726	483	Gross value of crops per crop A.		\$ 79	\$ 77	\$ 76
633	2,280	LIVESTOCK RETURNS:				
119	\$33,830	Net livestock increase.....		\$23,133	\$16,630	\$19,323
		Value of feed fed.....		18,868	19,106	17,743
235	\$ 2,052	Income over feed costs.....		\$ 4,265	\$-2,476	\$ 1,580
735	11,363	Livestock ret. per \$100 feed....		\$ 123	\$ 87	\$ 109
615	21,936	Hog income per litter.....		\$ 312	\$ 239	\$ 282
037	1,376	Pigs weaned per litter.....		7.3	6.8	7.0
325	4,181	Dairy income per cow.....		\$ 236	\$ 162	\$ 207
150	683	Beef income per head.....		\$ 59	\$ 39	\$ 51
097	\$41,591	Poultry income per hen.....		\$ 5.94	\$ 5.90	\$ 5.85
640	475	LABOR & MACHINERY EFFICIENCY:				
		Crop acres per man.....		120	106	117
737	\$42,066	Mach. & power cost per rot. A...		\$ 21	\$ 24	\$ 22
119	\$33,830	Livestock increase per man.....		\$13,850	\$ 9,090	\$11,570
618	\$ 8,236	Gross profits per man.....		\$13,810	\$ 7,080	\$10,530

Net farm income dropped from \$9,693 to \$8,236 in 1952 on these 149 farms in northwest Iowa. This was a decline of 15 percent. At the same time cash operating and fixed expenses declined from \$7,449 to \$7430, a drop of less than 1 percent.

Corn yields increased 28 bushels per acre over 1951, but the increased crop production was offset by lower livestock prices. Livestock returns per \$100 feed fed dropped from \$144 in 1951 to \$109 in 1952. This was the lowest feeding margin since 1932.

Feeding margins, crop yields and operating expenses all played a major role in the wide difference in management return and net farm income between the high and low profit groups of farms.

The low profit 50 farms had 11 percent higher expenses but their gross was 44 percent lower and their net 79 percent lower than the high profit 50 farms.

The narrow feeding margins made the profitable processing of feed through livestock a major factor in the difference in income between farms. Time of marketing, type and size of enterprise, in addition to efficiency in rations and sanitation were important machinery and power cost per rotated acre was \$3 higher for the low profit farms. Volume of production, as measured by gross profits per man, obtained efficiently was the criterion of high income in 1952.

PRODUCTION

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. & over	Av. all Farms
LAND USE:							
Corn acres.....		41	63	88	115	169	94
Oats acres.....		30	34	48	69	89	52
Soybean acres.....		4	9	15	16	26	14
Hay acres.....		7	17	22	35	50	26
Rotated pasture acres...		10	18	17	21	47	22
Total acres in farm.....		105	165	226	311	479	253
LIVESTOCK PRODUCTION:							
Litters of pigs.....		23	28	36	36	41	33
Cows milked.....		2	5	4	6	4	4
Hens.....		174	158	153	167	132	177
Beef cattle (beef only).		82	98	147	167	377	155
LABOR (months):							
Operator, family & hired		13	16	19	24	32	20

HOW TO USE THIS REPORT

The tabulations in this report provide an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary table gives the income and cost items on farms arranged in five size groups. The Management Analysis table gives the measures of efficiency of the various parts of the farm business. The difference between the most profitable one-third and least profitable one-third of the farms is shown.

How does your farm compare with other farms of the same size? Can you improve your efficiency and improve your income?

DEFINITION OF TERMS

Net Farm Income - Net income to the operator on owned farms and to the operator and landlord combined on rented farms.

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Gross Profits - Total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Net Operating Income - Gross profits less cash operating expenses and depreciation on machinery and equipment. This measures the production less the variable cost.

Management Return - Net operating income less a rental charge for use of land, 6 percent interest on capital in feeds, livestock and machinery, and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Gross Value of Crops Per Crop Acre - Quantity of crops produced valued at sales or closing inventory price divided by acres of harvested cropland.

Livestock Returns Per \$100 Feed - Livestock production divided by value of feed fed.

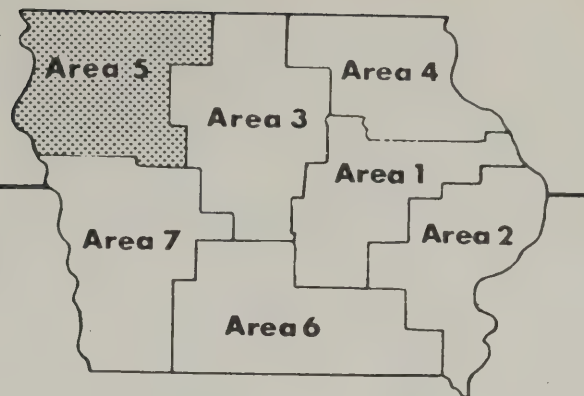
Machinery and power Cost per Acre - Total of machinery and equipment repairs, fuel, hire, depreciation, 6 percent on investment, truck and auto expense divided by total acres in farm.

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IOWA FARM RECORD SUMMARY



Area 5

Northwest Iowa

157 Farms

TABLE 1 - COMPARISONS BY YEARS - AREA 5

	1953	1952	1951	1950	1940
FINANCIAL RETURNS:					
Net farm income.....	\$ 9,994	\$ 8,236	\$ 9,693	\$13,307	\$ 4,176
Net farm income per acre.....	39	32	38	52	15
Management return.....	\$ 4,300	\$ 1,840	\$ 3,422	\$ 7,809	\$ 1,999
INCOME & EXPENSES:					
Sales					
Livestock sales.....	\$32,346	\$36,727	\$40,146	\$35,917	\$ 7,825
Crop sales.....	4,816	4,181	3,770	4,228	1,552
Total cash income.....	37,769	41,591	44,686	41,008	10,660
Expenses					
Cash operating.....	\$ 6,154	\$ 5,723	\$ 5,833	\$ 5,725	\$ 1,604
Cash fixed.....	1,757	1,707	1,616	1,539	796
Feed and livestock bought.....	14,769	22,197	28,184	27,527	5,687
CAPITAL, LAND & LABOR:					
Livestock and feed.....	\$26,173	\$28,126	\$27,413	\$21,993	\$ 8,813
Machinery and equipment.....	8,594	8,738	8,103	7,359	2,838
Land - acres.....	258	253	253	256	262
Labor - months.....	20	20	21	22	25
EFFICIENCY:					
Corn yields - bu. per acre.....	67	75	47	53	55
Livestock returns per \$100 feed fed....	132	109	144	175	147
Mach. and power cost per acre.....	\$ 22	\$ 22	\$ 21	\$ 20	\$ 5
Gross profits per man.....	\$11,970	\$10,532	\$10,844	\$12,169	\$ 3,410
Number of farms.....	157	149	155	154	165

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TABLE 2 - INCOME SUMMARY - AREA 5

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 & O
INVESTMENTS:						
Feed and livestock.....	\$11,326	\$16,317	\$23,664	\$29,652	\$48,
Machinery and equipment.....	5,216	6,374	8,015	9,522	13,
Land and improvements.....	19,943	26,874	35,713	38,840	61,
COSTS:						
Mach. - repairs, fuel, hire.....	\$ 1,430	\$ 1,848	\$ 2,484	\$ 2,871	\$ 4,
Labor hired.....	727	690	831	1,387	2,
Livestock expense.....	414	468	534	629	3,
Crop expense.....	509	935	1,410	1,830	3,
Miscellaneous.....	125	192	220	264	2,
Cash Operating Expense.....	\$ 3,205	\$ 4,133	\$ 5,479	\$ 6,981	\$10,
Taxes, int., ins., rent, bldg., rep....	794	1,133	1,695	2,059	2,
Feed purchased.....	4,282	5,722	8,345	9,197	13,
Livestock purchased.....	2,016	3,460	4,515	9,846	11,
Total Cash Expense.....	\$10,297	\$14,448	\$20,034	\$28,083	\$39,
Depreciation - machinery.....	881	1,103	1,461	1,576	2,
- buildings.....	404	448	531	541	2,
Inventory decreases.....	129	1,044	2,657	2,455	11,
Total Debits.....	\$11,711	\$17,043	\$24,683	\$32,655	\$53,
INCOME:						
Dy. prod., eggs, poultry.....	\$ 2,815	\$ 2,980	\$ 2,370	\$ 2,177	\$ 2,
Hogs.....	9,264	9,972	11,643	13,731	16,
Cattle.....	3,913	7,722	14,850	19,136	32,
Sheep.....	---	566	329	3,366	3,
Crops*.....	541	3,111	3,992	5,538	9,
Miscellaneous.....	402	607	677	192	1,
Total Cash Income.....	\$16,935	\$24,958	\$33,861	\$44,140	\$66,
Home used produce.....	353	401	421	418	---
Inventory increases.....	---	---	---	---	---
Total Credits.....	\$17,288	\$25,359	\$34,282	\$44,558	\$66,
Total Debits.....	11,711	17,043	24,683	32,655	53,
Net Farm Income.....	\$ 5,577	\$ 8,316	\$ 9,599	\$11,903	\$12,
Net Farm Income (operator).....	\$ 3,520	\$ 6,613	\$ 7,556	\$ 8,137	\$ 7,
Net Cash Income.....	\$ 6,020	\$ 8,706	\$11,719	\$13,383	\$22,
Mach. and improvements purch.....	\$ 618	\$ 1,804	\$ 2,108	\$ 2,674	\$ 4,
Gross Profits.....	\$10,861	\$15,132	\$18,765	\$23,060	\$30,
Net Operating Income.....	\$ 6,775	\$ 9,896	\$11,825	\$14,503	\$16,
less-interest on current assets.....	993	1,361	1,902	2,348	3,
-estimate cash rent.....	1,483	2,327	3,268	4,097	5,
-operator and family labor**.....	2,022	2,163	2,422	2,570	2,
Management Return.....	\$ 2,277	\$ 4,045	\$ 4,233	\$ 5,488	\$ 4,
Number of farms		9	50	38	33	

* Includes crop share rent as income ** Operator labor \$175, family labor \$140 per month

Notes - The farms on which these records were obtained are above average Iowa farms. Although they are larger in acreage, volume of business and net farm income, they indicate trends in production and income as they occurred in 1953.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded. The value of land

and improvements, and machinery and equipment cost less depreciation values.

The data for this report were collected by the Iowa Agricultural Extension Service, Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (projected by Farm Business Associations).

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TABLE 3 - MANAGEMENT ANALYSIS - AREA 5

	Av. of All Farms		Your Farm	High Profit 53 Farms	Low Profit 53 Farms	Av. 157 Farms
		MANAGEMENT RETURN.....	.....	\$ 9,797	\$-1,235	\$ 4,300
7	\$26,173	INCOME AND EXPENSES:				
4	8,594	Gross profits per acre.....	.....	\$ 101	\$ 55	\$ 78
6	37,085	Expenses per acre.....	.....	41	39	39
		Net income per acre.....	.....	60	16	39
1	\$ 2,564	SIZE OF BUSINESS:				
8	1,165	Total acres.....	.....	256	262	258
1	576	Harvested crop acres.....	.....	199	196	201
2	1,598	Percent of land in crops.....	.....	78	75	78
8	251	Months of labor.....	.....	21	20	20
0	\$ 6,154	CROP YIELDS:				
3	1,757	Corn - bu. per acre.....	.....	69	62	67
1	8,392	Oats - bu. per acre.....	.....	39	32	37
4	6,377	Soybeans - bu. per acre.....	.....	29	26	28
8	\$22,680	Hay - tons per acre.....	.....	3.1	3.0	3.0
I	1,541	Gross value of crops per crop A	.....	\$ 71	\$ 61	\$ 67
7	555	LIVESTOCK RETURNS:				
0	3,452	Net livestock increase.....	.....	\$29,792	\$17,808	\$22,123
6	\$28,228	Value of feed fed.....	.....	19,191	16,945	16,821
		Income over feed costs.....	.....	\$10,601	\$ 863	\$ 5,302
1	\$ 2,495	Livestock ret. per \$100 feed..	.....	\$ 155	\$ 105	\$ 132
0	12,303	Hog income per litter.....	.....	\$ 412	\$ 413	\$ 420
9	15,941	Pigs weaned per litter.....	.....	7.4	7.1	7.4
3	1,607	Dairy income per cow.....	.....	\$ 218	\$ 208	\$ 214
9	4,816	Beef income per head.....	.....	\$ 46	\$ 43	\$ 44
5	607	Poultry income per hen.....	.....	\$ 7.66	\$ 6.53	\$ 7.08
7	\$37,769	LABOR & MACHINERY EFFICIENCY:				
2	453	Crop acres per man.....	.....	114	117	120
		Mach. & power cost per Rot. A	.....	\$ 22	\$ 23	\$ 22
9	\$38,222	Livestock increase per man....	.....	\$17,020	\$10,070	\$13,240
6	28,228	Gross profits per man.....	.....	\$14,810	\$ 8,620	\$11,970
3	\$ 9,994					
4	\$ 7,206					
5	\$12,632					
7	\$ 2,457					
9	\$38,222					
6	28,228					
3	\$ 9,994					
4	\$ 7,206					
5	\$12,632					
7	\$ 2,457					
4	\$20,001					
3	\$12,306					
2	2,084					
1	3,502					
0	2,420					
0	\$ 4,300					
7	157					

Net farm income in 1953 increased 21 percent on these 157 farms as compared to 1952. Corn yields declined 8 bushels per acre but returns per \$100 feed fed increased from the low level of \$109 in 1952 to \$132 in 1953. The increase in net income was accompanied by a 8 percent increase in cash operating expenses and a 3 percent increase in fixed expenses. Expenditures for seeds and fertilizers increased 34 percent when compared to 1952.

Grouping the farms on the basis of profit, the high profit 53 farms average \$11,032 higher management return than the low profit 53 farms. The difference is found in the volume of business per unit of cost and the production level. There is practically no difference between the two groups in the total acres per farm and the months of labor use. Examination of the yields per acre, livestock return per \$100 feed, and gross profits and livestock increase per man and real differences are noted. The high profit group of farms produced \$101 income per acre with \$41 expense while the low profit group produced only \$55 income per acre with \$39 expense. With high costs and a large portion of these costs fixed, volume per unit of cost is a must.

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TABLE 4 - PRODUCTION - AREA 5

	Your Farm	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. & Over	Av. all Farms
LAND USE:							
Corn acres.....		44	69	93	128	179	105
Oats acres.....		26	35	44	65	98	54
Soybean acres.....		0	8	11	17	15	11
Hay acres.....		12	16	25	30	48	26
Rotated pasture acres.....		7	13	16	13	39	18
Total acres in farm.....		111	165	228	303	470	258
LIVESTOCK PRODUCTION:							
Litters of pigs.....		33	25	28	36	39	31
Cows milked.....		8	4	5	3	6	5
Hens.....		173	187	184	141	85	159
Total cattle.....		57	72	120	157	254	132
LABOR (months):							
Operator, family & hired..		13	16	19	22	31	20

HOW TO USE THIS REPORT

The tabulations in this report provide an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary (table 2) gives the income and cost items on farms arranged in five size groups. The Management Analysis (table 3) gives the measures of efficiency of the various parts of the farm business. The difference between the most profitable one-third and least profitable one-third of the farms is shown.

How does your farm compare with other farms of the same size? Can you improve your efficiency and improve your income?

DEFINITION OF TERMS

Net Farm Income - Net income to the operator on owned farms and to the operator and landlord combined on rented farms.

Net Cash Income - Total cash income less total cash expenses including machinery and improvements purchased.

Gross Profits - Total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Net Operating Income - Gross profits less cash operating expenses and depreciation on machinery and equipment. This measures the production less the variable cost.

Management Return - Net operating Income less a rental charge for use of land, 6 percent interest on capital in feeds, livestock and machinery, and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Gross Value of Crops per Crop Acre - Quantity of crops produced valued at sales or closing inventory price divided by acres of harvested cropland.

Livestock Returns Per \$100 Feed - Livestock production divided by value of feed fed.

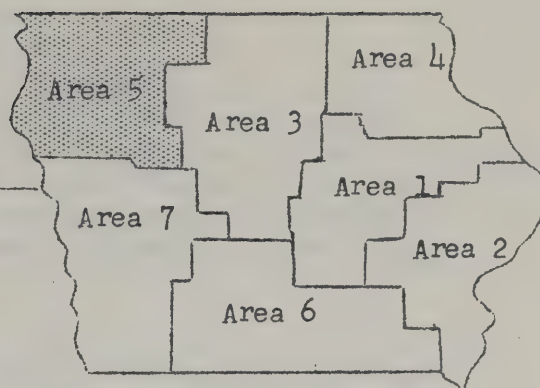
Machinery and Power Cost Per Acre - Total of machinery and equipment repairs, fuel, hire, depreciation, 6 percent on investment, truck and auto expenses divided by rotated acres in farm.

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IOWA FARM RECORD SUMMARY



Area 5

Northwest Iowa

157 Farms

TABLE 1 - COMPARISONS BY YEARS - AREA 5

	1954	1953	1952	1940
FINANCIAL RETURNS:				
Net farm income.....	\$ 10,119	\$ 9,994	\$8,236	\$ 4,176
Net farm income per acre.....	39	39	32	15
Management return.....	4,527	4,300	1,840	1,999
INCOME AND EXPENSES:				
Sales				
Livestock sales.....	\$ 33,226	\$32,316	\$36,727	\$ 7,825
Crop sales.....	5,498	4,816	4,181	1,552
Total cash income.....	39,387	37,769	41,591	10,660
Expenses				
Cash operating.....	\$ 6,647	\$ 6,154	\$ 5,723	\$ 1,604
Cash fixed.....	1,806	1,757	1,707	796
Feed and livestock bought.....	20,770	14,769	22,197	5,687
CAPITAL, LAND & LABOR:				
Livestock and feed.....	\$ 23,483	\$26,173	\$28,126	\$ 8,813
Machinery and equipment.....	8,517	8,594	8,738	2,838
Land - acres	257	258	253	262
Labor - months.....	20	20	20	25
EFFICIENCY:				
Corn yields - bu. per acre.....	\$ 71	\$ 67	\$ 75	\$ 55
Livestock returns per \$100 feed fed...	139	132	109	147
Mach. and power cost per rot. acre....	23	22	22	5
Gross profits per man.....	12,460	11,970	10,532	3,410
Number of farms.....	157	157	149	165

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Agricultural Extension Service

Iowa State College

Ames, Iowa

May, 1955

Economics & Sociology

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HOW TO USE THIS REPORT

This report provides an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary (table 3) gives the income and cost items on farms arranged in five size groups. The Management Analysis (table 4) gives the measures of efficiency of the farm business.

DEFINITION OF TERMS

Net Farm Income - Net income to the operator on owner-operator farms and to the operator and landlord combined on rented farms.

Net Cash Income - Total cash income less total cash expenses including machinery and improvements purchased.

Gross Profits - Total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Net Operating Income - Gross profits less cash operating expenses and depreciation on machinery and equipment. This measures the production less the variable cost.

Management Return - Net operating income less a rental charge for use of land, 6 percent interest on capital in feeds, livestock and machinery, and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Gross Value of Crops per Crop Acre - Quantity of crops produced valued at sales or closing inventory price divided by acres of harvested cropland.

Livestock Returns Per \$100 Feed - Value of livestock production divided by value of feed fed.

Machinery and Power Cost per rotated Acre - Total of machinery and equipment, repairs, fuel, hire, depreciation, 6 percent on investment, truck and auto expense divided by rotated acres in farm.

Notes - The farms on which these records were obtained are above average, Iowa farms. Although they are larger in acreage, volume of business and net farm income, they indicate trends in production and income as they occurred in 1954.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded.

The data for this report were collected and compiled by the Iowa Agricultural Extension Service, The Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (project 111) and the Farm Business Association.

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1954 Farm Record Summary
157 Farms Northwest Iowa Area 5

Net farm income increased 1.3 percent on the 157 farms in this report as compared to 1953. Higher corn yields and an improved livestock feeding ratio in 1954 as compared to 1953 accounted for the small increase. Expenses, both operating and fixed increased 7 percent in 1954 and reached an all time high. Expenses in 1954 totaled \$42 per acre as compared to \$35 in 1950 and only \$11 per acre in 1940.

Along with the changing income and cost patterns on these farms, the production or use of resources shifted in 1954 as compared to 1953. Corn acreage was decreased from 105 acres to 90 acres, while soybean acreage was increased from 11 to 18 acres with the remaining acreage being shifted into hay and rotated pasture. The number of litters farrowed increased by 13 percent and the number of cattle on the farms increased by 20 percent. No change was recorded in cows milked and hens kept.

With the favorable feeding ratio in 1954, the major factor responsible for the better than \$10,000 difference in management return between the high profit 50 farms and the low profit 50 farms as shown in table 4 is found in the quantity, the kind and the level of efficiency of the livestock program. Less than \$2,000 of the difference is found in the difference in crop production on the two groups of farms as indicated in the value of feed produced. The remainder, amounting to nearly \$9,000, is reflected in the livestock income over feed costs. Returns per \$100 of feed fed average \$158 on the high profit farms as compared to only \$114 on the low profit farms. The high profit farms also had more litters of pigs and feed more cattle with higher returns per unit of production. Hog income per litter average 16% higher and beef income per head 61% higher on the high profit group as compared to the low profit group of farms.

Table 2. PRODUCTION - AREA 5

	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. and Over	Av. all Farms
LAND USE:						
Corn acres.....	42	62	82	109	154	90
Oats acres.....	18	39	49	69	95	55
Soybean acres.....	2	12	15	27	25	18
Hay acres.....	13	16	27	41	61	31
Rotated pasture acres.....	7	15	19	12	42	19
Total acres in farm.....	110	164	230	306	470	257
LIVESTOCK PRODUCTION:						
Litters of pigs.....	24	30	35	40	43	35
Cows milked.....	10	5	5	2	7	5
Hens.....	152	201	177	129	108	163
Total cattle*.....	86	81	134	181	357	158
LABOR (months)						
Operator, family and hired...	14	16	19	21	30	20

* Number in opening inventory plus purchases.

INVENTORY AND INCOME STATEMENT

Table 3 Area 5

	Your Farm	Ave. of 157 Farms	0-139 acres	140-199 acres
Feed and livestock	\$	\$23,135	\$13,966	\$16,663
Machinery and equipment		8,517	5,617	6,360
Land and Improvements		37,835	21,613	28,679
Total Inventory, Beginning of Year	\$	\$69,487	\$41,196	\$51,702
<u>Expenditures</u>				
Machinery repair, fuel & hire	\$	\$ 2,708	\$ 1,542	\$ 1,941
Labor hired		1,201	922	654
Livestock expense		812	302	610
Crop expense		1,668	599	1,000
Misc. expense		258	220	182
Total Cash Operating Expense	\$	\$ 6,547	\$ 3,585	\$ 4,387
Taxes, int., ins., bldg, rep.	\$	\$ 1,806	\$ 928	\$ 1,109
Feeds purchased		8,847	4,871	6,879
Livestock purchased		11,923	4,969	5,672
Cash Expenses	\$	\$29,223	\$14,353	\$18,047
Depreciation--machinery	\$	\$ 1,652	\$ 888	\$ 1,180
Depreciation--buildings	\$	586	394	487
Inventory decreases		---	1,287	---
Total Business Debits	\$	\$31,461	\$16,922	\$19,714
<u>Income</u>				
Dy. prod., eggs & poultry	\$	\$ 2,351	\$ 2,820	\$ 2,746
Hogs		13,536	9,267	11,670
Cattle		15,998	7,202	8,672
Sheep		1,341	----	587
Crop*		5,498	789	3,368
Miscellaneous		663	640	515
Cash Income	\$	\$39,387	\$20,718	\$27,558
Home used produce	\$	\$ 374	\$ 322	\$ 351
Inventory increases		1,819	---	76
Total Credits	\$	\$41,580	\$21,040	\$27,985
Total Debits	\$	\$31,461	\$16,922	\$19,714
Net farm Income	\$	\$10,119	\$ 4,118	\$ 8,271
Net farm Income (Operator)	\$	\$ 7,317	\$ 2,305	\$ 6,541
Net cash Income	\$	\$ 7,374	\$ 5,287	\$ 7,529
Machinery and improvements purchased	\$	\$ 2,790	\$ 1,078	\$ 1,982
Gross Profits	\$	\$20,810	\$ 9,913	\$15,434
Net Operating Income		12,511	5,440	9,867
Less - Interest on current assets - 6% \$		\$ 1,899	\$ 1,174	\$ 1,380
Cash rent (actual or estimated)		3,676	1,496	2,520
Operator & family labor **		2,409	2,065	2,194
Management Return	\$	\$ 4,527	\$ 705	\$ 3,773
Number of farms		157	7	49

* Includes crop share rent as income.

** Operator labor \$175 per month,
family labor \$140 per month.

INVENTORY AND INCOME STATEMENT

Table 3 cont. Area 5

	Your Fam	200-259 acres	260-359 acres	360 acres and over
Feed and livestock	\$	\$21,008	\$ 27,051	\$37,792
Machinery and equipment	\$	7,874	9,589	13,543
Land and improvements	\$	37,044	40,531	59,148
Total Inventory, Beginning of Year	\$	\$65,926	\$ 77,171	\$110,483
Expenditures				
Machinery repairs, fuel and hire	\$	\$ 2,673	\$ 3,166	\$ 4,069
Labor hired	\$	853	1,589	2,537
Livestock expense	\$	736	979	1,296
Crop expense	\$	1,632	1,925	3,066
Misc. Expense	\$	215	371	353
Total Cash Operating Expense	\$	\$ 6,109	\$ 8,030	\$ 11,321
Taxes, int., ins., bldg, rep.	\$	\$ 1,620	2,197	3,314
Feeds purchased	\$	8,491	11,898	10,620
Livestock purchased	\$	9,917	15,392	25,854
Cash Expenses	\$	\$26,137	\$ 37,517	\$ 51,109
Depreciation--machinery	\$	\$ 1,502	\$ 1,845	\$ 2,861
Depreciation--buildings	\$	523	634	897
Inventory decreases	\$	---	---	---
Total Business Debts	\$	\$28,162	\$ 39,996	\$ 54,867
Income				
Dy. prod., eggs & poultry	\$	\$ 2,445	\$ 1,574	\$ 2,266
Hogs		13,179	15,918	16,087
Cattle		14,255	19,938	31,534
Sheep		166	2,163	4,380
Crop*		4,416	8,531	9,370
Miscellaneous		737	366	1,061
Cash Income	\$	\$ 35,198	\$ 48,490	\$ 61,698
Home used produce	\$	\$ 363	\$ 335	\$ 508
Inventory increases		2,103	3,316	3,718
Total Credits	\$	\$37,664	\$ 52,171	\$ 68,924
Total Debits	\$	\$28,162	\$ 39,996	\$ 54,867
Net Farm Income	\$	\$ 9,502	\$ 12,175	\$ 14,057
Net Farm Income (operator)	\$	\$ 7,009	\$ 7,601	\$ 10,563
Net Cash Income	\$	\$ 5,872	\$ 8,153	\$ 9,441
Machinery and improvements purchased	\$	\$ 3,189	\$ 2,820	\$ 4,148
Gross Profits	\$	\$19,256	\$ 24,881	\$ 32,450
Net Operating Income	\$	\$11,645	\$ 15,006	\$ 18,268
Less- Interest on current assets--6%	\$	\$ 1,733	\$ 2,199	\$ 3,080
Cash rent (actual or estimated)	\$	\$ 3,466	\$ 4,358	\$ 6,160
Operator & family labor **	\$	\$ 2,406	\$ 2,350	\$ 3,032
Management return	\$	\$ 4,040	\$ 6,099	\$ 5,996
Number of farms		45	32	24

*Includes crop share rent as income. XX operator labor \$175 per month, family labor \$140 per month.

MANAGEMENT ANALYSIS

Table 4 Area 5

	Your Farm	Ave. of 157 Farms	50 High Farms	50 Low Farms
All Farms				
MANAGEMENT RETURN	\$	\$ 4,527	\$ 9,845	\$- 967
<u>SOURCE OF INCOME</u>				
Value of Feed Produced	\$	\$13,489	\$14,195	\$12,244
Livestock Inc. over Feed Costs		6,534	11,946	2,033
Other Income		787	768	686
Gross Profits	\$	\$20,810	\$26,909	\$14,963
<u>SIZE OF BUSINESS</u>				
Total capital managed	\$	\$69,490	\$71,490	\$67,250
Total acres	A.	257 A.	257 A.	264 A.
Harvested crop acres	A.	200 A.	205 A.	193 A.
% of land in harvested crops	%	78%	79%	73%
Months of man labor	mo.	20 mo.	21 mo.	19 mo.
<u>CROP ACRES AND YIELDS</u>				
	Acres-Yield	Acres-Yield	Acres-Yield	Acres-Yield
Corn		90 71	90 74	88 65
Oats		55 43	54 45	53 40
Soybeans		18 30	19 31	16 28
Hay		31 2.5	34 2.6	30 2.6
Gross value crops per CA.	\$	\$ 68	\$ 70	\$ 63
<u>LIVESTOCK RETURNS</u>				
Net livestock increase	\$	\$23,208	\$32,572	\$16,248
Value of feed fed		16,674	20,626	14,215
Livestock Inc. over feed costs	\$	\$ 6,534	\$11,946	\$ 2,033
Livestock Returns per \$100 feed fed	\$	\$ 139	\$ 158	\$ 114
	No. Inc.	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	\$	35 \$347	47 \$366	25 \$317
Pigs weaned per litter		7.3	7.5	7.1
Dairy income per cow	\$	5 \$206	3 \$194	6 \$200
Beef inc. per head	\$	38 \$ 32	36 \$ 39	44 \$ 23
(36 dairy herds)	\$	196 \$ 59	225 \$ 71	214 \$ 44
(120 beef herds)				
Poultry income per hen	\$	163 \$4.70	153 \$4.59	170 \$4.72
<u>USE OF LABOR AND EQUIPMENT</u>				
	A.	120 A.	117 A.	122 A.
Crop acres per man	\$	\$ 23	\$ 24	\$ 23
Mach. and power cost per rot. A.	\$	\$13,890	\$18,640	\$10,280
Livestock increase per man	\$	\$12,460	\$15,370	\$ 9,470
<u>INCOME AND COSTS</u>				
Gross profits per acre	\$	\$ 81	\$ 105	\$ 57
Expenses per acre		42	43	41
Net income per acre	\$	\$ 39	\$ 62	\$ 16

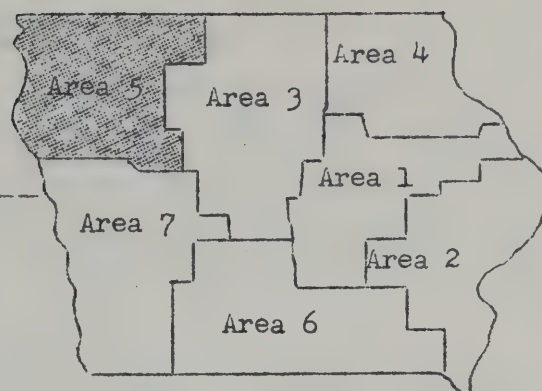
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IOWA FARM RECORD SUMMARY



1955

Area 5

NORTHWEST IOWA

160 Farms

Table 1. Comparisons by Years

	1955	1954	1953	1940
<u>Financial Returns:</u>				
Net farm income.....	\$ 2,678	\$10,119	\$ 9,994	\$ 4,176
Net farm income per acre.....	10	39	39	15
Management return.....	-3,052	4,527	4,300	1,999
<u>Income and Expenses:</u>				
Sales				
Livestock sales.....	\$30,141	\$33,226	\$32,346	\$ 7,825
Crop sales.....	5,002	5,498	4,816	1,552
Total cash income.....	36,111	39,387	37,769	10,660
Expenses				
Cash operating.....	\$ 6,389	\$ 6,647	\$ 6,154	\$ 1,604
Cash fixed.....	1,765	1,806	1,757	796
Feed and livestock bought.....	19,638	20,770	14,769	5,687
<u>Capital, Land and Labor:</u>				
Livestock and feed.....	\$24,126	\$23,483	\$26,173	\$ 8,813
Machinery and equipment.....	8,791	8,517	8,594	2,838
Land - acres.....	259	257	258	262
Labor - months.....	20	20	20	25
<u>Efficiency:</u>				
Corn yields - bu. per acre.....	52	71	67	55
Livestock returns per \$100 feed fed	\$ 106	\$ 139	\$ 132	\$ 147
Mach. and power cost per rot. acre.	\$ 21	\$ 23	\$ 22	\$ 5
Gross profits per man.....	\$ 7,885	\$12,460	\$11,970	\$ 3,410
Number of farms.....	160	157	157	165

How To Use This Report

This report provides an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary (table 3) gives the income and cost items on farms arranged in five size groups. The Management Analysis (table 4) gives the measures of efficiency of the farm business.

Definition of Terms

Net Farm Income - Net income to the operator on owner-operator farms and to the operator and landlord combined on rented farms.

Net Cash Income - Total cash income less total cash expenses including machinery and improvements purchased.

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Gross Value of Crops per Crop Acre - Quantity of crops produced valued at sales or closing inventory price divided by acres of harvested cropland.

Livestock Returns Per \$100 Feed - Value of livestock production divided by value of feed fed.

Machinery and Power Cost per Rotated Acre - Total of machinery and equipment, repairs, fuel, hire, depreciation, truck and auto expense divided by rotated acres in farm

Notes - The farms on which these records were obtained are above average, Iowa farms. Although they are larger in acreage, volume of business and net farm income, they indicate trends in production and income as they occurred in 1955.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded.

The data for this report were collected and compiled by the Iowa Agricultural Extension Service, The Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (project 111) and the Farm Business Association.

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1955 Farm Record Summary

160 Farms - Northwest Iowa

Net farm income in 1955 was down 74 percent from the 1954 level on the 160 farms included in this report. The 1955 net was also 36 percent below the 1940 net income. The value of livestock production decline \$4,563 per farm and crop production was down \$2,185 from the 1954 levels. Lower grain prices and 19 bushels less corn per acre accounted for the decline in the value of crop production. The 160 farms produced more livestock in 1955 but the sharp drop in hog and beef prices cut the income. While the gross income dropped better than \$7,600 in 1955 expenses per farm including depreciation, operating and fixed, declined only \$201 when compared to 1954.

The combination of a 27 percent decline in corn yields and sharply lower hog and beef prices in 1955 put a premium on both efficiency and farm organization as shown in table 4, 56 percent of the difference in income between the high and low groups can be accounted for in the difference in livestock income over feed costs, reflecting both enterprise combination and production efficiency. The next major cause of the difference is found in operating and fixed expense. The low profit group had 21 percent higher expenses than the high profit group of farms.

Table 2. Use of Resources by Size of Farm

	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. & Over	Av. All Farms
<u>Land Use:</u>						
Corn acres.....	49	63	92	117	174	99
Oats acres.....	18	37	48	69	86	54
Soybean acres.....	1	11	12	24	28	16
Hay acres.....	12	19	24	34	66	31
Rotated pasture acres.....	6	13	17	12	34	18
Total rotated acres.....	78	145	197	258	393	221
Total acres in farm.....	97	167	322	303	464	259
<u>Livestock Production:</u>						
Litters of pigs.....	27	33	34	39	48	37
Cows milked.....	8	4	5	2	6	5
Hens.....	153	171	175	139	75	148
Total cattle.....	80	80	124	171	398	163
<u>Source of Income:</u>						
Value of crops produced.....	\$ 6,261	\$ 7,445	\$10,280	\$13,892	\$18,584	\$11,304
Livestock inc. over feed costs	1,973	1,055	695	683	1,176	997
Other income.....	238	357	627	804	2,722	867
Gross profits.....	\$ 8,472	\$ 8,857	\$11,602	\$15,379	\$22,482	\$13,168
<u>Livestock Returns:</u>						
Net livestock increase.....	\$13,181	\$12,990	\$17,016	\$19,442	\$32,343	\$18,645
Feed fed.....	11,208	11,935	16,321	18,759	31,167	17,648
Income over feed costs.....	\$ 1,973	\$ 1,055	\$ 695	\$ 683	\$ 1,176	\$ 997
<u>Labor and Machinery</u>						
Months labor.....	14 mo.	15 mo.	18 mo.	21 mo.	30 mo.	20 mo.
Crop acres per man.....	71 A.	106 A.	120 A.	140 A.	144 A.	122 A.
Gross profits per man.....	\$ 7,241	\$ 7,086	\$ 7,735	\$ 8,789	\$ 8,993	\$ 7,885
Mach. and power cost per rot. acre....	\$ 30	\$ 22	\$ 21	\$ 19	\$ 18	\$ 21

Table 3. Inventory and Income Statement

	Your farm	Av. of 160 farms	0-139 acres	140-199 acres
Feed and livestock	\$	\$24,126	\$13,859	\$15,617
Machinery and equipment		8,791	5,021	6,583
Land and improvements		81,281	30,703	50,694
Total Inventory, Beginning of Year	\$	\$114,198	\$49,583	\$72,892
<u>Expenditures</u>				
Mach. repairs, fuel and hire	\$	\$ 2,622	\$ 1,668	\$ 1,900
Labor hired		1,138	417	456
Crop expense		1,738	786	950
Livestock expense		584	240	433
Miscellaneous expense		307	232	187
Total Cash Operating Expense	\$	\$ 6,389	\$ 3,343	\$ 3,926
Taxes, int., ins., bldg. repair	\$	\$ 1,765	\$ 877	\$ 1,069
Feeds purchased		9,541	5,416	5,967
Livestock purchased		10,097	5,501	4,784
Cash Expenses	\$	\$27,792	\$15,137	\$15,746
Depreciation machinery	\$	\$ 1,693	\$ 1,053	\$ 1,188
Depreciation buildings		643	484	510
Inventory decreases		3,664	2,800	3,078
Total Business Debits	\$	\$33,792	\$19,474	\$20,522
<u>Income</u>				
Dairy prod., eggs and poultry	\$	\$ 2,234	\$ 5,467	\$ 2,019
Hogs		9,792	6,594	7,937
Cattle		16,970	6,797	8,491
Sheep		1,145	1,441	558
Crop*		5,002	516	2,701
Miscellaneous		968	1,067	645
Cash Income	\$	\$36,111	\$21,882	\$22,351
Home used produce	\$	\$ 359	\$ 307	\$ 335
Inventory increases		---	---	---
Total Credits	\$	\$36,470	\$22,189	\$22,686
Total Debits	\$	\$33,792	\$19,474	\$20,522
Net Farm Income	\$	\$ 2,678	\$ 2,715	\$ 2,164
Net Farm Income (operator)	\$	\$ 1,242	\$ 1,976	\$ 1,467
Net Cash Income	\$	\$ 6,205	\$ 5,360	\$ 4,971
Machinery and improvements purchased	\$	\$ 2,114	\$ 1,385	\$ 1,634
Gross Profits	\$	\$13,168	\$ 8,472	\$ 8,857
Net Operating Income	\$	\$ 5,086	\$ 4,076	\$ 3,743
Less - Interest on current assets-6%	\$	\$ 1,975	\$ 1,132	\$ 1,332
Cash rent (actual or estimated)		3,789	1,584	2,605
Operator and family labor**		2,374	2,126	2,184
Management Return	\$	\$-3,052	\$ - 766	\$-2,378
Number of farms		160	8	52

*Includes crop share rent as income.

**Operator labor \$175, family labor \$140 per month.

Table 3 Cont. Inventory and Income Statement

	Your farm	200-259 acres	260-359 acres	360 acres and over
Feed and livestock	\$	\$22,376	\$27,580	\$41,924
Machinery and equipment		8,260	10,242	13,175
Land and improvements		68,592	87,655	166,185
Total Inventory, Beginning of Year	\$	\$99,228	\$125,477	\$221,284
<u>Expenditures</u>				
Mach. repairs, fuel and hire	\$	\$ 2,429	\$ 2,916	\$ 4,223
Labor hired		967	1,059	3,012
Crop expense		1,722	2,030	3,204
Livestock expense		563	557	1,043
Miscellaneous expense		249	280	680
Total Cash Operating Expense	\$	\$ 5,930	\$ 6,842	\$12,162
Taxes, int., ins., bldg. repair	\$	\$ 1,683	\$ 2,019	\$ 3,178
Feeds purchased		8,452	10,173	18,489
Livestock purchased		6,838	12,737	23,288
Cash Expenses	\$	\$22,903	\$31,771	\$57,117
Depreciation machinery	\$	\$ 1,619	\$ 1,918	\$ 2,692
Depreciation buildings		604	624	1,026
Inventory decreases		4,956	4,563	2,041
Total Business Debits	\$	\$30,082	\$38,876	\$62,876
<u>Income</u>				
Dairy prod., eggs and poultry	\$	\$ 2,315	\$ 1,458	\$ 2,521
Hogs		9,418	10,803	13,628
Cattle		13,970	19,820	37,276
Sheep		491	2,077	2,015
Crop*		4,540	6,979	8,825
Miscellaneous		719	1,365	1,549
Cash Income	\$	\$31,525	\$42,502	\$65,814
Home used produce	\$	\$ 323	\$ 350	\$ 486
Inventory increases		---	---	---
Total Credits	\$	\$31,848	\$42,852	\$66,300
Total Debits	\$	\$30,082	\$38,876	\$62,876
Net Farm Income	\$	\$ 1,766	\$ 3,976	\$ 3,424
Net Farm Income (operator)	\$	\$ 770	\$ 1,803	\$ 607
Net Cash Income	\$	\$ 6,922	\$ 8,425	\$ 5,065
Machinery and improvements purchased	\$	\$ 1,700	\$ 2,306	\$ 3,632
Gross Profits	\$	\$11,602	\$15,379	\$22,482
Net Operating Income	\$	\$ 4,053	\$ 6,619	\$ 7,628
Less - Interest on current assets-6%	\$	\$ 1,839	\$ 2,269	\$ 3,306
Cash rent (actual or estimated)		3,503	4,407	6,392
Operator and family labor**		2,250	2,619	2,695
Management Return	\$	\$-3,539	\$-2,676	\$-4,765
Number of farms		40	33	27

* Includes crop share rent as income.

** Operator labor \$175, family labor \$140 per month.

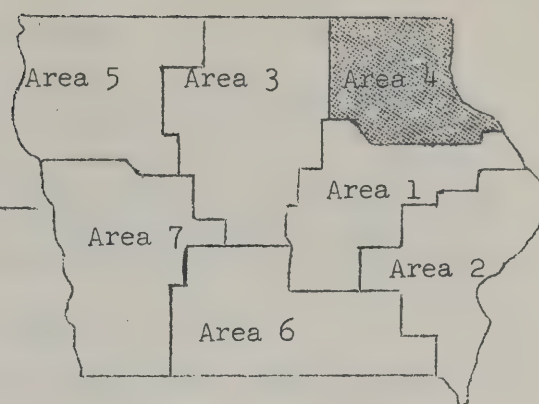
Table 4. Management Analysis

	Your farm	Av. of 160 farms	High profit 53 farms	Low profit 53 farms
All farms				
Management Return	\$	\$-3,052	\$ 1,357	\$-7,890
<u>Source of Income:</u>				
Value of feed produced	\$	\$11,304	\$12,326	\$10,805
Livestock inc. over feed costs		997	3,567	-1,470
Other income		867	1,289	766
Gross profits	\$	\$13,168	\$17,182	\$10,101
<u>Size of Business:</u>				
Total capital managed	\$	\$114,198	\$106,579	\$115,022
Total acres		A. 259 A.	257 A.	256 A.
Harvested crop acres		A. 203 A.	212 A.	193 A.
% of land in harvested crops		% 78 %	82 %	75 %
Months of man labor		mo. 20 mo.	19 mo.	21 mo.
<u>Crop Acres and Yields:</u>				
	<u>Acres-Yield</u>	<u>Acres-Yield</u>	<u>Acres-Yield</u>	<u>Acres-Yield</u>
Corn	99 52	100 60	99 47	
Oats	54 53	54 55	52 53	
Soybeans	16 21	21 23	11 20	
Hay	31 2.7	34 2.7	29 2.9	
Gross value crops per crop acre	\$	\$ 55	\$ 59	\$ 53
<u>Livestock Returns:</u>				
Net livestock increase	\$	\$18,645	\$19,077	\$22,712
Value of feed fed		17,648	15,510	24,182
Livestock inc. over feed costs	\$	\$ 997	\$ 3,567	\$-1,470
Livestock returns per \$100 feed fed	\$	\$ 106	\$ 123	\$ 94
	<u>No. Inc.</u>	<u>No. Inc.</u>	<u>No. Inc.</u>	<u>No. Inc.</u>
Hog income per litter	\$	37 \$183	32 \$162	43 \$199
Pigs weaned per litter		7.3	7.4	7.2
Dairy income per cow	\$	5 \$217	5 \$209	4 \$223
Beef inc. per head				
(32 dairy herds)	\$	39 \$ 39	35 \$ 35	58 \$ 68
(126 beef herds)	\$	198 \$ 56	192 \$ 58	271 \$ 54
Poultry income per hen	\$	148 \$5.46	162 \$5.96	127 \$5.15
<u>Use of Labor and Equipment:</u>				
Crop acres per man		A. 121 A.	134 A.	110 A.
Mach. and power cost per rot. A.	\$	\$ 21	\$ 20	\$ 24
Livestock increase per man	\$	\$11,164	\$12,074	\$12,978
Gross profits per man	\$	\$ 7,885	\$10,874	\$ 5,772
<u>Income and Costs:</u>				
Gross profits per acre	\$	\$ 51	\$ 67	\$ 39
Expenses per acre		41	39	46
Net income per acre	\$	\$ 10	\$ 28	\$ -7

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IOWA FARM RECORD SUMMARY

1956



Area 4

NORTHEAST IOWA

110 Farms

Table 1. Comparisons by Years

	1956	1955	1954	1940
<u>Financial Returns:</u>				
Net farm income.....	\$ 7,624	\$ 3,387	\$ 7,799	\$ 3,130
Net farm income per acre.....	34	15	34	13
Management return.....	3,201	- 973	3,449	1,450
<u>Income and Expenses:</u>				
Sales				
Livestock sales.....	\$18,341	\$17,729	\$20,491	\$ 5,398
Crop sales.....	1,383	1,634	1,433	327
Total cash income.....	20,344	19,957	22,497	6,447
Expenses				
Cash operating	\$ 4,395	\$ 4,597	\$ 4,631	\$ 1,349
Cash fixed.....	1,485	1,315	1,398	638
Feed and livestock bought.....	7,793	7,461	7,669	2,348
<u>Capital, Land and Labor:</u>				
Livestock and feed.....	\$13,736	\$15,620	\$15,829	\$ 6,061
Machinery and equipment.....	6,927	7,100	7,203	2,732
Land - acres.....	225	225	227	238
Labor - months.....	18	18	19	24
<u>Efficiency:</u>				
Corn yields - bu. per acre.....	80	59	73	66
Livestock return per \$100 feed fed \$	147	\$ 123	\$ 150	\$ 157
Mach. and power cost per rot. acre \$	22	\$ 22	\$ 21	\$ 5
Gross profits per man.....	\$10,255	\$ 7,420	\$ 9,880	\$ 2,850
Number of farms.....	110	112	111	143

MAR 18 1958

How To Use This Report

This report provides an opportunity to compare the operations of an individual farm with other farms of the same size and in the same area of Iowa. A column is provided to enter the figures from your farm on each of the tables. The Income Summary (table 3) gives the income and cost items on farms arranged in five size groups. The Management Analysis (table 4) gives the measures of efficiency of the farm business.

Definition of Terms

Net Farm Income - Net income to the operator on owner-operator farms and to the operator and landlord combined on rented farms.

Net Cash Income - Total cash income less total cash expenses including machinery and improvements purchased.

Gross Profits - Total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Net Operating Income - Gross profits less cash operating expenses and depreciation on machinery and equipment. This measures the production less the variable cost.

Management Return - Net operating income less a rental charge for use of land, 6 percent interest on capital in feeds, livestock and machinery, and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Gross Value of Crops per Crop Acre - Quantity of crops produced valued at sales or closing inventory price divided by acres of harvested cropland.

Livestock Returns Per \$100 Feed - Value of livestock production divided by value of feed fed.

Machinery and Power Cost per Rotated Acre - Total of machinery and equipment, repairs, fuel, hire, depreciation, truck and auto expense divided by rotated acres in farm.

Notes - The farms on which these records were obtained are above average, Iowa farms. Although they are larger in acreage, volume of business and net farm income, they indicate trends in production and income as they occurred in 1956.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded.

The data for this report were collected and compiled by the Iowa Agricultural Extension Service, The Agricultural Economics Subsection of the Iowa Agricultural Experiment Station (project 111) and the Farm Business Association.

1956 Farm Record Summary

110 Farms - Northeast Iowa

Net farm income increased from \$3,387 in 1955 to \$8,328 on the 110 farms included in this report. The increase in income was due to higher crop yields and better prices for livestock which resulted in more favorable feeding margins. Expenses stayed practically the same increasing only \$22 per farm. Corn yields increased 21 bushels per acre from the 1955 level. Livestock returns per \$100 of feed fed increased from \$123 in 1955 to \$147 in 1956. Increased livestock returns accounted for 62 percent of the increase in net income. The volume of livestock handled was about the same as 1955.

With favorable feeding margins in 1956 the differences between the high profit and the low profit farms as shown in table 4 are dominated by the quantity and the production efficiency in livestock. In addition the acres of corn and yields per acre are higher on the high profit farms. From a cost standpoint, although per acre expenses were higher on the high profit farms, they produced \$2.26 income per dollar expense as compared to \$1.50 income per dollar expense on the low profit farms.

Table 2. Use of Resources By Size of Farm

	0-139 Acres	140-199 Acres	200-259 Acres	260-359 Acres	360 A. & over	Av. All Farms
<u>Land Use:</u>						
Corn acres.....	36	55	75	96	131	71
Oats acres.....	18	33	39	53	60	38
Soybean acres.....	0	2	2	2	5	2
Hay acres.....	15	25	35	36	59	31
Other crops acres.....	17	24	33	45	67	33
Total rotated acres.....	86	139	184	232	322	175
Total acres in farm.....	106	169	231	295	483	225
<u>Livestock Production:</u>						
Litters of pigs.....	16	22	31	40	36	27
Cows milked.....	11	12	16	13	13	13
Hens.....	156	217	150	217	156	185
Total cattle.....	52	52	74	130	196	84
<u>Source of Income:</u>						
Value of crops produced.	\$4,999	\$7,231	\$10,852	\$12,558	\$16,104	\$9,519
Lvgt. inc. over feed costs	4,602	3,682	6,332	6,915	4,919	5,164
Other income.....	652	582	618	932	1,128	710
Gross profits.....	\$10,253	\$11,495	\$17,802	\$20,405	\$22,151	\$15,393
<u>Livestock Returns:</u>						
Net livestock increase.	\$12,943	\$11,838	\$16,922	\$23,108	\$21,490	\$16,071
Feed fed.....	8,341	8,156	10,590	16,193	16,571	10,907
Inc. over feed costs...	\$ 4,602	\$ 3,682	\$ 6,332	\$ 6,915	\$ 4,919	\$ 5,164
<u>Labor and Machinery:</u>						
Months labor.....	14 mo.	15 mo.	19 mo.	22 mo.	26 mo.	18 mo.
Crop acres per man.....	59 A.	92 A.	96 A.	105 A.	115 A.	95 A.
Gross profits per man..	\$ 8,770	\$ 9,196	\$11,267	\$11,150	\$10,207	\$10,255
Mach. and power cost per rot. acre	\$30	\$20	\$21	\$21	\$15	\$22

Table 3. Inventory and Income Statement

	Your farm	Av. of 110 farms	0-139 acres	140-199 acres
Feed and livestock	\$	\$13,736	\$ 8,887	\$ 9,779
Machinery and equipment		6,927	4,735	5,195
Land and improvements		41,999	22,941	31,342
Total Inventory, Beginning of Year	\$	\$62,662	\$36,563	\$46,316
<u>Expenditures</u>				
Mach. repairs, fuel and hire	\$	\$ 2,188	\$ 1,558	\$ 1,760
Labor hired		735	245	362
Crop expense		989	597	768
Livestock expense		361	284	255
Miscellaneous expense		122	116	88
Total Cash Operating Expense	\$	\$ 4,395	\$ 2,800	\$ 3,233
Taxes, int., ins., bldg. repair	\$	1,485	\$ 788	\$ 1,046
Feeds purchased		4,020	5,279	2,910
Livestock purchased		3,773	3,627	1,265
Cash Expenses	\$	\$13,673	\$12,494	\$ 8,454
Depreciation machinery	\$	\$ 1,380	\$ 928	\$ 1,095
Depreciation buildings		508	321	399
Inventory decreases		---	---	---
Total Business Debits	\$	\$15,561	\$13,743	\$ 9,948
<u>Income</u>				
Dairy prod., eggs and poultry	\$	\$ 4,346	\$ 3,430	\$ 4,110
Hogs		7,035	6,448	5,097
Cattle		6,902	4,988	2,956
Sheep		58	103	61
Crop*		1,383	837	1,066
Miscellaneous		620	404	377
Cash Income	\$	\$20,344	\$16,210	\$13,667
Home used produce	\$	\$ 484	\$ 443	\$ 429
Inventory increases		2,357	2,506	1,574
Total Credits	\$	\$23,185	\$19,159	\$15,670
Total Debits	\$	\$15,561	\$13,743	\$ 9,948
Net Farm Income	\$	\$ 7,624	\$ 5,416	\$ 5,722
Net Farm Income (operator)	\$	\$ 6,542	\$ 4,542	\$ 5,089
Net Cash Income	\$	\$ 4,698	\$ 2,655	\$ 3,587
Machinery and improvement purchased	\$	\$ 1,973	\$ 1,061	\$ 1,626
Gross Profits	\$	\$15,393	\$10,253	\$11,495
Net Operating Income	\$	\$ 9,618	\$ 6,525	\$ 7,167
Less - Interest on current assets-6%	\$	\$ 1,241	\$ 817	\$ 898
Cash rent (actual or estimated)		2,728	1,418	2,137
Operator and family labor**		2,448	2,279	2,322
Management Return	\$	\$ 3,201	\$ 2,011	\$ 1,810
Number of farms		110	17	36

*Includes crop share rent as income.

** Operator labor \$175, family labor \$140 per month.

Table 3 Cont. Inventory and Income Statement

	Your farm	200-259 acres	260-359 acres	360 acres and over
Feed and livestock	\$	\$13,942	\$20,517	\$23,425
Machinery and equipment		8,277	8,869	9,477
Land and improvements		49,619	57,120	63,445
Total Inventory, Beginning of Year	\$	\$71,858	\$86,506	\$96,347
Expenditures				
Mach. repairs, fuel and hire	\$	\$ 2,324	\$ 2,989	\$ 2,954
Labor hired		800	1,412	1,506
Crop expense		1,010	1,518	1,438
Livestock expense		360	602	447
Miscellaneous expense		123	131	243
Total Cash Operating Expense	\$	\$ 4,617	\$ 6,652	\$ 6,588
Taxes, int., ins., bldg. repair	\$	\$ 1,677	\$ 2,034	\$ 2,702
Feeds purchased		2,820	6,782	4,384
Livestock purchased		1,782	8,255	10,755
Cash Expenses	\$	\$10,896	\$23,723	\$24,429
Depreciation machinery	\$	\$ 1,615	\$ 1,782	\$ 1,769
Depreciation buildings		542	696	785
Inventory decreases		---	---	---
Total Business Debits	\$	\$13,053	\$26,201	\$26,983
Income				
Dairy prod., eggs and poultry	\$	\$ 5,072	\$ 5,258	\$ 3,009
Hogs		8,002	9,060	8,563
Cattle		4,149	14,829	18,073
Sheep		15	94	28
Crop*		1,558	1,602	2,548
Miscellaneous		638	990	1,145
Cash Income	\$	\$19,434	\$31,833	\$33,366
Home used produce	\$	\$ 481	\$ 596	\$ 565
Inventory increases		2,489	3,013	3,359
Total Credits	\$	\$22,404	\$35,442	\$37,290
Total Debits	\$	\$13,053	\$26,201	\$26,983
Net Farm Income	\$	\$ 9,351	\$ 9,241	\$10,307
Net Farm Income (operator)	\$	\$ 8,328	\$ 7,620	\$ 8,057
Net Cash Income	\$	\$ 6,465	\$ 5,227	\$ 6,095
Machinery and improvements purchased	\$	\$ 2,073	\$ 2,883	\$ 2,842
Gross Profits	\$	\$17,802	\$20,405	\$22,151
Net Operating Income	\$	\$11,570	\$11,971	\$13,794
Less - Interest on current assets-6%	\$	\$ 1,334	\$ 1,763	\$ 1,973
Cash rent (actual or estimated)		3,129	3,705	4,164
Operator and family labor**		2,551	2,594	2,632
Management Return	\$	\$ 4,556	\$ 3,909	\$ 5,025
Number of farms		29	18	10

*Includes crop share rent as income.

** Operator labor \$175, family labor \$140 per month.

Table 4. Management Analysis

	Your farm	Av. of 110 farms	High profit 37 farms	Low profit 37 farms
Management Return	\$	\$3,201	\$6,792	\$ -312
<u>Source of Income:</u>				
Value of crops produced	\$	\$9,519	\$10,895	\$8,420
Livestock inc. over feed cost		5,164	8,386	2,013
Other income		710	807	685
Gross profits	\$	\$15,393	\$20,088	\$11,118
<u>Size of Business:</u>				
Total capital managed	\$	\$62,660	\$72,230	\$55,350
Total acres		A. 225 A.	229 A.	222 A.
Harvested crop acres		A. 142 A.	148 A.	139 A.
% of land in harvested crops		% 63 %	65 %	63 %
Months of man labor		mo. 18 mo.	19 mo.	17 mo.
<u>Crop Acres and Yields:</u>				
	Acres-Yield	Acres-Yield	Acres-Yield	Acres-Yield
Corn		71 80	80 86	63 77
Oats		38 45	38 50	37 39
Soybeans		2 18	1 14	4 21
Hay		31 2.5	29 2.7	33 2.2
Gross value crops per crop acre	\$	\$ 62	\$ 70	\$ 56
<u>Livestock Returns:</u>				
Net livestock increase	\$	\$16,071	\$21,795	\$10,998
Value of feed fed		10,907	13,409	8,985
Livestock inc. over feed costs	\$	\$ 5,164	\$ 8,386	\$ 2,013
Livestock returns per \$100 feed fed	\$	\$ 147	\$ 163	\$ 122
	No. Inc.	No. Inc.	No. Inc.	No. Inc.
Hog income per litter	\$	27 \$265	33 \$285	20 \$250
Pigs weaned per litter		7.3	7.6	6.8
Dairy income per cow	\$	13 \$244	14 \$310	11 \$208
Beef income per head				
(62 dairy herds)	\$	53 \$ 37	60 \$ 58	49 \$ 26
(48 beef herds)	\$	124 \$ 49	168 \$ 71	110 \$ 36
Poultry income per hen	\$	185 \$5.51	201 \$5.87	143 \$5.12
<u>Use of Labor and Equipment:</u>				
Crop acres per man		A. 95 A.	94 A.	98 A.
Mach. and power cost per rot. A.	\$	\$ 22	\$ 22	\$ 22
Livestock increase per man	\$	\$10,714	\$13,794	\$7,745
Gross profits per man	\$	\$10,255	\$12,713	\$7,829
<u>Income and Costs:</u>				
Gross profits per acre	\$	\$ 68	\$ 88	\$ 51
Expenses per acre		34	39	34
Net income per acre	\$	\$ 34	\$ 49	\$ 17

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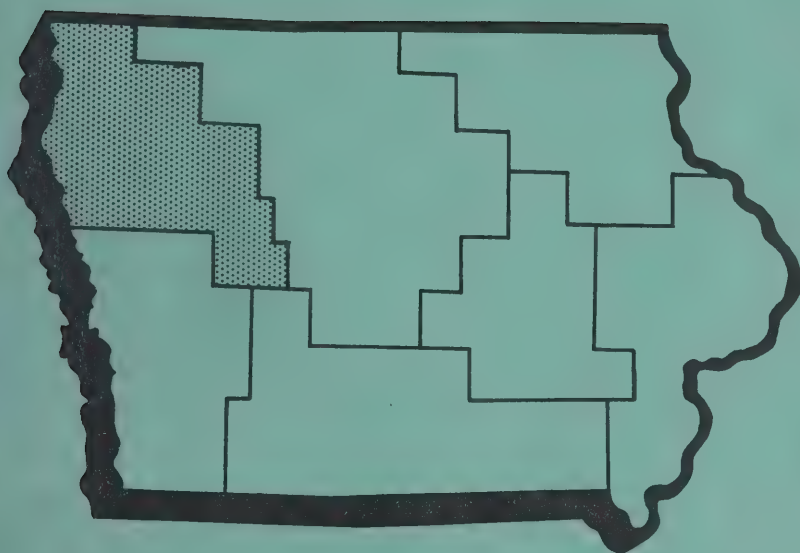
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1961

1961 FARM BUSINESS SUMMARY

FOR
NORTHWEST
IOWA



ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 07-20-1982 BY SP-10

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PRODUCTION • COSTS • RETURNS

IOWA STATE UNIVERSITY of Science and Technology
COOPERATIVE EXTENSION SERVICE
AMES, IOWA • APRIL 1962 • FM-1394

The farm records summaries which are the bases of this report were obtained from cooperators in the Extension Farm and Home Development program, the Iowa Farm Business Associations and the Extension Farm Record project. A sample giving approximately 20 records in each size group in each economic area of the state as defined by the U. S. Census report was selected from the farm records available from the various sources.

The average of all farms in each table represents a weighted average based on the number of farms in each size group in the economic area as shown by the 1959 Census of Agriculture, United States Department of Commerce. Only farms over 70 acres in size were counted in making the weighting.

All records were kept on the accrual or inventory basis. On rented farms both operator and landlord income and expenses were recorded. The data represents income, expenses and production for the owner on owner-operated farms and for both the tenant and landlord on tenant-operated farms.

Definition of Terms Used

Net farm income - net income to the operator on owner-operated farms and to the operator and landlord combined on rented farms.

Gross profits - total sales plus home used products less purchases of feed and livestock plus or minus inventory changes. This measures the production per farm.

Management return - net farm income less 4 percent interest on value of land and improvements; 6 percent interest on capital in feeds, livestock and machinery; and wages for operator and family labor. This measures a return for management after deducting a charge for all other resources used in the business.

Value of crops per rotated acre - quantity of crops produced valued at sales or closing inventory price divided by acres of rotated cropland.

Livestock returns per \$100 feed - value of livestock production divided by value of feed fed.

Machinery and power cost per rotated acre - total of machinery and equipment, repairs, fuel, hire, depreciation, truck and auto expense divided by rotated acres.

The data for this report were collected by county extension staffs, district extension economists and farm business association fieldmen. The report was compiled by E. G. Stoneberg and H. B. Howell, extension economists, with assistance from the Iowa Agricultural Experiment Station, project 111.

1961 Farm Business Summary - Northwest Iowa

Net income per farm in northwest Iowa was \$10,645 in 1961 for the farms included in this summary. This is a 2 percent increase when compared with the \$10,432 net income per farm in 1960 as shown in table 1. The increase in net income was due to a large volume of crop production per farm.

The value of crops produced per farm in 1961 including diverted acres payments was \$13,130. The record corn yield of 88 bushels per acre was a major factor in the high value of crops produced. The diverted acres payment averaged \$963 per farm.

Livestock income over feed costs was slightly lower in 1961. This was due to a lower volume of feed processed and slightly lower returns per \$100 feed fed.

Both operating and fixed expenses were higher in 1961.

Table 1. Comparisons by Years

	1961	1960	1959	1958
<u>Financial Returns:</u>				
Net farm income	\$10,645	\$10,432	\$ 4,782	\$11,025
Management return	3,417	4,134	-1,657	6,058
<u>Sources of Income:</u>				
Crop production	\$13,120*	\$11,362	\$ 9,397	\$ 8,500
Livestock income over feed cost . . .	6,485	7,395	2,975	10,611
Miscellaneous	1,008	963	833	1,006
<u>Expenses:</u>				
Operating	\$ 5,731	\$ 5,198	\$ 4,731	\$ 5,592
Fixed	4,237	4,090	3,692	4,235
<u>Resources Used:</u>				
Livestock and feed	\$21,686	\$22,459	\$21,274	\$16,988
Machinery and equipment	7,882	6,899	6,754	6,645
Land and improvements	74,770	72,307	67,125	67,532
Labor - months	16	15	15	16
<u>Efficiency:</u>				
Corn yield per acre	88	78	65	62
Livestock returns per \$100 feed fed .	\$ 147	\$ 150	\$ 122	\$ 182
Mach. and power cost per rot. acre .	24	22	21	24
Gross profits per man	15,498	15,169	10,736	15,090
Acres Per Farm	224	221	204	203

* Includes diverted acres payment of \$963 per farm.

Table 2. Summary of Income and Expenses

	Average	70-179 acres	180-259 acres	260-359 acres	360 acres and over
Sale of livestock and live- stock products.	\$28,277	\$18,038	\$32,838	\$33,589	\$61,087
Crop sales	5,543	4,472	5,128	7,209	9,487
Diverted acres payment	963	728	814	1,238	2,218
Miscellaneous income	1,008	959	789	1,125	1,778
Home used produce.	288	231	336	314	404
Inventory change	3,194	1,229	4,223	4,222	9,039
<u>Total Income</u>	<u>\$39,273</u>	<u>\$25,657</u>	<u>\$44,128</u>	<u>\$47,697</u>	<u>\$84,013</u>
Less - Expenses.	7,900	5,912	8,285	9,054	15,689
Feed and livestock purch. .	18,660	10,048	23,281	22,476	45,155
Depreciation.	2,068	1,852	2,056	2,148	3,201
<u>Net Income</u>	<u>\$10,645</u>	<u>\$ 7,845</u>	<u>\$10,506</u>	<u>\$14,019</u>	<u>\$19,968</u>
Less - Charge for operator and family labor.	3,035	2,987	2,945	3,093	3,555
Equity in land and capital.	4,193	3,119	4,127	5,376	7,992
<u>Return to Management</u>	<u>\$ 3,417</u>	<u>\$ 1,739</u>	<u>\$ 3,434</u>	<u>\$ 5,550</u>	<u>\$ 8,421</u>

Tables 2 and 3 summarize the sources of income, expenses and the resources used by size of farm in northwest Iowa. Both net income and management return increased as farm size increased.

Table 3. Summary of Resources Used and Source of Income

	Average	70-179 acres	180-259 acres	260-359 acres	360 acres and over
<u>Capital:</u>					
Feed and livestock.	\$21,686	\$15,238	\$21,867	\$27,333	\$46,252
Machinery and equipment .	7,882	6,743	7,757	7,657	15,550
Land and improvements . .	74,770	55,286	75,762	95,905	138,333
<u>Acres Per Farm:</u>	224	154	220	297	483
<u>Labor - Months:</u>					
Operator.	12.4	12.5	12.0	11.8	14.4
Family.	1.4	1.0	1.4	2.5	1.8
Hired	2.2	.6	2.0	3.1	10.6
Total	16.0	14.1	15.4	17.4	26.8
<u>Sources of Income:</u>					
Value of crops produced .	\$13,120	\$ 9,619	\$13,076	\$16,781	\$25,605
Livestock income over feed costs	6,485	5,031	6,982	7,315	11,475
Miscellaneous	1,008	959	789	1,125	1,778
Gross profits	<u>\$20,613</u>	<u>\$15,609</u>	<u>\$20,847</u>	<u>\$25,221</u>	<u>\$38,858</u>

Table 4. Expenditures and Depreciation

	Average	70-179 acres	180-259 acres	260-359 acres	360 acres and over
Labor hired.	\$ 524	\$ 167	\$ 444	\$ 758	\$ 2,370
Machine hire	1,008	786	1,085	1,120	1,795
Fuel and oil	817	652	793	951	1,567
Auto expense	326	328	313	340	327
Machinery repairs.	1,010	858	1,121	928	1,717
Crop expense	1,401	1,004	1,410	1,819	2,759
Livestock expense.	497	449	524	457	773
Taxes - property	891	584	947	1,272	1,648
Insurance.	283	229	299	312	489
Building repairs	424	363	465	383	732
Miscellaneous expense.	148	82	217	167	266
Feed purchased	\$ 7,629	\$ 6,295	\$ 8,067	\$ 8,005	\$13,138
Livestock purchased.	11,031	3,748	15,214	14,471	31,967
New machinery and improvements	\$ 2,187	\$ 1,714	\$ 2,462	\$ 2,471	\$ 3,400
Depreciation					
Machinery	\$ 1,438	\$ 1,285	\$ 1,445	\$ 1,467	\$ 2,253
Improvements.	630	567	611	681	948
Interest paid.	\$ 571	\$ 410	\$ 667	\$ 547	\$ 1,246

Table 4 gives in detail the expenditures by size of farm indicating how size affected various costs of the farm business. In this summary labor hired, machine hire, fuel and oil, auto expense, machinery repairs, crop expense, livestock expense, and miscellaneous expense are considered operating expenses. Property taxes, insurance, building repairs, interest and depreciation are considered as fixed expense. Some expenses such as crop expenses increase in very nearly the same proportion as acreage increases. Other expenses such as auto expense are not directly related to size of farm.

Both operating and fixed expenses per farm increased in 1961 to a record high level. Operating expenses increased 10 percent and fixed expenses 4 percent over the previous year.

Table 5 gives the land use pattern and yields per acre by size of farm in northwest Iowa. The 1961 corn yield of 88 bushels per acre is the highest average yield recorded since farm records were first acquired from the area in 1938. There was an average of 24 diverted acres per farm. Hay land and rotated pasture comprise most of the acreage included in other cropland.

Table 5. Land Use and Crop Production

	Average	70-179 acres	180-259 acres	260-359 acres	360 acres and over
<u>Land Use - Acres:</u>					
Corn	91	62	95	115	189
Soybeans	30	27	25	36	45
Oats	17	8	18	26	43
Diverted acres	24	19	20	30	57
Other cropland	29	23	29	42	44
Rotated acres.	191	139	187	249	378
Total acres.	224	154	220	297	483
Percent of land in rotation .	85%	90%	85%	84%	78%
Crop value per rotated acre .	\$ 68	\$ 69	\$ 68	\$ 67	\$ 66
<u>Yields Per Acre:</u>					
Corn (bu.)	88	88	88	90	85
Soybeans (bu.)	32	32	32	33	32
Oats (bu.)	57	54	58	60	60
Hay (tons)	3.3	3.2	3.5	2.9	3.5

Table 6 indicates the sources of livestock production and numbers by size of farm in northwest Iowa. Hogs and beef accounted for 89 percent of the livestock increase on those farms.

Table 6. Livestock Production

	Average	70-179 acres	180-259 acres	260-359 acres	360 acres and over
<u>Livestock Increase:</u>					
Hogs	\$10,775	\$10,376	\$10,157	\$10,514	\$15,786
Beef	7,091	2,700	9,029	10,638	18,362
Dairy products sold.	1,372	1,571	1,733	610	705
Poultry and eggs	775	1,010	525	555	728
Sheep.	126	26	195	255	194
Total livestock increase. . .	\$20,139	\$15,683	\$21,639	\$22,572	\$35,775
Feed fed.	13,654	10,652	14,657	15,257	24,300
Livestock increase over feed cost	\$ 6,485	\$ 5,031	\$ 6,982	\$ 7,315	\$11,475
No. litters farrowed.	41	45	33	36	54
No. pigs weaned	319	363	252	268	406
No. cows milked	4.9	5.9	5.4	2.3	3.1
No. cattle (Jan. 1)	57	28	65	80	146
No. cattle purchased.	76	27	102	109	208
No. hens.	182	231	122	130	208

Table 7. Differences Between High and Low Profit Farms

	Your farm	High profit 1/3 of farms	Low profit 1/3 of farms
<u>Income and Expenses:</u>			
Income less feed and livestock purchases	\$ _____	\$30,240	\$19,626
Less expenses	_____	11,862	11,848
Net farm income	\$ _____	\$18,378	\$ 7,778
Charges for operator and family labor, land, and capital used . . .	_____	8,389	7,678
Management return	\$ _____	\$ 9,989	\$ 108
<u>Resources Used:</u>			
Land - acres	_____	288	286
Acres in cropland	_____	252	219
Machinery and equipment	\$ _____	\$ 8,971	\$ 7,507
Livestock and feed	_____	26,989	26,493
Months of labor	_____	18.4	18.2
<u>Sources of Gross Profits:</u>			
Livestock increase	\$ _____	\$29,343	\$20,114
Feed fed	_____	17,264	16,414
Livestock increase over feed cost . .	\$ _____	\$12,079	\$ 3,700
Crop production	_____	17,211	14,800
Miscellaneous	_____	950	1,126
Gross profits	\$ _____	\$30,240	\$19,626
<u>Efficiency of Operations:</u>			
Corn yield per acre - bushels	_____	87	88
Crop value per rotated acre	\$ _____	\$ 69	\$ 67
Livestock returns per \$100 feed fed .	_____	170	123
Rotated acres per man	_____	165	144
Mach. and power cost per rot. acre .	\$ _____	\$ 20.85	\$ 24.03
Gross profits per man	_____	19,765	12,912
Gross profits per \$100 expense . . .	_____	255	166

Table 7 points out why some farms make more money than others. There was a difference of \$10,600 in net income between the high profit and low profit farms. Many individual factors influenced this from farm to farm but three major points are identified. The difference in crop production efficiency reflected in crop value per acre accounted for only 5 percent of the difference. The efficiency in livestock production measured by livestock returns per \$100 of feed fed accounted for 73 percent of the difference. This leaves 22 percent of the difference that can be accounted for in size of business.

The expenses of both groups were nearly the same but the high profit farms had a larger volume of business and a higher level of efficiency.

Table 8. How Does Your Farm Compare?

	Your farm*	70-179 acres	180-259 acres	260-359 acres	360 acres and over
<u>Size of Business:</u>					
Total capital managed.	\$ _____	\$77,267	\$105,386	\$130,895	\$200,135
Total acres.	_____	154	220	297	483
Rotated acres.	_____	139	187	249	378
Percent of land in rotation.	_____	90	85	84	78
Months of man labor.	_____	14.1	15.4	17.4	26.8
<u>Crop Yields:</u>					
Corn (bu.)	_____	88	88	90	85
Soybeans (bu.)	_____	32	32	33	32
Oats (bu.)	_____	54	58	60	60
Hay (tons)	_____	3.2	3.5	2.9	3.5
Value of crops per rotated acre.	\$ _____	\$ 69	\$ 68	\$ 67	\$ 66
<u>Livestock Returns:</u>					
Livestock returns per \$100 feed fed.	\$ _____	\$ 147	\$ 148	\$ 148	\$ 147
No. litters hogs	_____	45	33	36	54
No. pigs weaned per litter	_____	8.1	7.6	7.4	7.5
No. dairy cows	_____	5.9	5.4	2.3	3.1
No. cattle	_____	55	167	189	354
No. hens	_____	231	122	130	208
<u>Use of Labor and Equipment:</u>					
Rotated acres per man.	_____	118	146	172	170
Machine and power cost per rotated acre.	\$ _____	\$ 28.12	\$ 25.44	\$ 19.30	\$ 20.26
Gross profits per man.	_____	13,228	16,287	17,394	17,425
<u>Source of Income:</u>					
Value of crops produced.	\$ _____	\$ 9,619	\$ 13,076	\$ 16,781	\$ 25,605
Livestock income over feed	_____	5,031	6,982	7,315	11,475
Miscellaneous.	_____	959	789	1,125	1,778
Gross profits.	\$ _____	\$15,609	\$ 20,847	\$ 25,221	\$ 38,858
Total expense.	_____	7,764	10,341	11,202	18,890
Net farm income.	\$ _____	\$ 7,845	\$ 10,506	\$ 14,019	\$ 19,968
<u>Livestock Increases:</u>					
Hogs	\$ _____	\$10,376	\$ 10,157	\$ 10,514	\$ 15,786
Beef and dairy production.	_____	4,271	10,762	11,248	19,065
Poultry and eggs	_____	1,010	525	555	728
Sheep and wool	_____	26	195	255	194
Total	\$ _____	\$15,683	\$ 21,639	\$ 22,572	\$ 35,775

* See sections N and H of "Summary Sheet for Use With Better Farm Accounting" or pages 42 and 43 of "Better Farm Accounting".

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